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**GROWTH IN FEDERAL
EXPENDITURES
ON ABORIGINAL PEOPLES**



Canada



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GROWTH IN FEDERAL EXPENDITURES ON ABORIGINAL PEOPLES

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EXECUTIVE SUMMARY

FEDERAL INVESTMENT

- Overall federal spending on Aboriginal programs has increased from \$703 million in 1975-76 to \$5,041 million in 1992-93. This represents growth (in 1975 dollars) of 5.4 percent annually to \$1,725 million.
- In 1975-76, federal expenditures on Aboriginal programs represented 2.1 percent of overall federal expenditures, excluding expenditures on public debt. By 1992-93, this percentage had doubled to 4.2 percent of the federal budget (Main Estimates excluding debt) allocated to Aboriginal programs.
- In recent years, the growth rate of expenditures on Aboriginal programs has exceeded the overall growth of federal expenditures. While the overall growth in federal expenditures between 1991-92 and 1992-93 was limited to 3.1 percent, (due to legislated restrictions on government spending) funding for Aboriginal programs increased 7.9 percent.
- If the overall funding level for Aboriginal programs is expressed as a per capita figure, the federal government will spend approximately \$12,412 for each Status Indian living on-reserve or on Crown land in 1992-93. However, care must be exercised in the interpretation of this figure. While the per capita figure indicates that it is the amount spent on each Indian living on-reserve or on Crown land, it also includes some limited expenditures for Indians living off-reserve. In addition, these figures include spending related to a number of services which are typically provided to other Canadians by provincial and municipal governments. Over the past decade, Status Indian per capita expenditures have increased by an average of 7.5 percent annually.
- In addition to having access to specific Aboriginal programs, Aboriginal Canadians also have access to federal programs for non-Aboriginal Canadians (e.g. Old Age Security and Unemployment Insurance). Moreover, the *Indian Act* exempts the property of an Indian, including income, situated on-reserve from tax. Where purchases are made on-reserve, and in certain other cases, the exemption applies to the Goods and Services Tax. The extent to which Aboriginal peoples receive these other federal programs and tax exemptions is not reflected in this document.

MAJOR PLAYERS

- Although 12 federal departments have "Aboriginal Programs," over 98 percent of the government's expenditures on Aboriginal peoples flows through six main bodies: Indian and Northern Affairs (72.3 percent); National Health and Welfare (14.0 percent); Canada Mortgage and Housing Corporation (5.4 percent); Employment and Immigration Canada (4.0 percent); Industry, Science and Technology (1.5 percent); and the Secretary of State (1.0 percent).

MAJOR TRENDS

- Within the Department of Indian Affairs and Northern Development (DIAND), four main activities account for about half of the estimated 1992-93 expenditures. While most of these activities are like those provided to non-Aboriginals by provincial and municipal governments - elementary/secondary education, social assistance, and welfare services - they also include post-secondary education. Since 1981-82, the total of these four activities has grown at an average annual rate of approximately 12 percent.
- Since 1981-82, federal funding for elementary/secondary education has increased by approximately 9 percent annually, from expenditures of \$272.9 million in 1981-82 to estimated expenditures of \$683.7 million in 1992-93. The number of elementary/secondary students has grown by about 1.8 percent annually, from 80,466 students in 1981-82 to 96,594 students in 1991-92.
- The participation rate of on-reserve children (ages 6-15) in elementary/secondary schools has increased from 87.6 percent in 1985-86 to 91.4 percent in 1990-91. At the same time, Indian children are staying in school longer. The percentage of children reaching grades 12 or 13 through normal progression has risen from 33.9 percent in 1985-86 to 47.0 percent in 1990-91.
- Since 1981-82, federal funding for DIAND's Post-Secondary Education Assistance Program has increased more than eightfold, from an actual expenditure of \$25.1 million in 1981-82 to an estimated \$201.3 million in 1992-93, an average annual increase of about 21 percent. The number of post-secondary students receiving assistance has more than quadrupled from 5,467 in 1981-82 to an estimated 24,240 in 1992-93.
- Since 1981-82, social assistance expenditures have grown at an average annual rate of 12.3 percent, from \$165.0 million in 1981-82 to \$591.5 million in 1992-93.

- Since 1981-82, expenditures on welfare services have grown at an average annual rate of 16.5 percent, from \$38.7 million in 1981-82 to \$204.8 million in 1992-93. This growth rate has largely been driven by on-reserve demographics and the introduction of new programs.
- New initiatives have had a significant impact on the growth in federal expenditures on Aboriginal peoples. These initiatives include the Native Agenda (\$571 million over five years beginning in 1989), the Green Plan (\$361 million over six years beginning in 1989), and Bill C-31 (\$338 million between 1985 and 1990).

GREATER FIRST NATION CONTROL

- Emphasis is being placed on supporting increased Indian control of the development, design and delivery of child and family services. In 1990-91, DIAND funded 36 Indian Child and Family agencies covering 212 bands.
- The number of elementary/secondary students attending band-operated schools has tripled from 13,133 in 1981-82 to 40,513 in 1990-91. During the same period, the number of band-operated schools has almost doubled from 159 in 1981-82 to 312 in 1990-91.
- As a result of special post-secondary education programs providing opportunities for Indian students to become qualified teachers, 30 percent of the teaching staff in band schools are now Indian.
- Devolution of responsibility for the delivery of services and programs from DIAND to the direct control of First Nations has been aided by a range of funding mechanisms: contributions, alternative funding arrangements, flexible transfer payments and grants.
- By the end of 1991-92, 77.3 percent of the expenditures of the Indian and Inuit Affairs Program (approximately \$2 billion) were fully administered by First Nations through Band Councils, Tribal Councils, or other Indian organizations. This figure has increased 15.2 percentage points since 1985-86, when bands administered 62.1 percent of Indian and Inuit Affairs Program spending.
- Since 1982-83, the number of authorized person years in the Indian and Inuit Affairs Program has decreased 42 percent from 4,463 to 2,608 in 1992-93.

- The percentage of DIAND's budget which is directed to administrative overhead has declined steadily throughout the 1980s and early 1990s. In 1992-93, the department's overhead is estimated to be 3.4 percent of the overall budget administered by DIAND. In 1985-86, this rate was 6.0 percent.

IMPROVEMENTS OF CONDITIONS

- Conditions on-reserve have improved largely due to greater First Nation control, as well as increased federal expenditures.
- The quality of health care available for Indians has improved considerably. Between 1976 and 2001, the life expectancy of Status Indians is expected to increase by approximately 10 years for both sexes. The rate of Indian mortality has decreased from a level of 6.2 deaths per 1,000 population to 4.8 per 1,000 between 1982 and 1989.
- Indian infant mortality rates have dropped dramatically between 1971 and 1989, from 45 to 10 infant deaths per 1,000 live births. The death rate from accidents and violence has decreased from over 250 to under 150 deaths per 100,000 population between 1980 and 1989.
- The number of post-secondary students receiving assistance has more than quadrupled from 5,467 in 1981-82 to an estimated 24,240 in 1992-93.
- Between 1980-81 and 1990-91, the percentage of children in care has decreased from 6.0 percent to 4.0 percent.
- While the social and economic conditions of Aboriginal peoples have improved significantly, there is still substantial room for improvement. For instance, the suicide rate for Status Indians is approximately double the rate for the total Canadian population; the percent of Indians on-reserve receiving social assistance is also about double the Canadian rate; the percentage of Indian dwellings on-reserve that are crowded is about sixteen times the Canadian figure; the percentage of all Status Indians that have less than a grade nine education is about double the Canadian rate; the percentage of dwellings on-reserve without central heating is about seven times more than the Canadian rate; and the employment rate of Indians on-reserve is about half the Canadian rate.

INTRODUCTION

- In recent years, Canadians have become increasingly aware of the importance and complexity of aboriginal issues. The federal government has responded with a number of major federal initiatives such as the Native Agenda, the Green Plan, Bill C-31, devolution and the creation of the Royal Commission on Aboriginal Peoples.
- While these high profile initiatives have captured the attention of Canadians, the extent of the government's commitment to Aboriginal peoples can only be fully understood by examining federal expenditures on Aboriginal programs over an extended period of time.
- This document presents an overview of the evolution of federal expenditures on Aboriginal programs from 1975-76 through 1992-93. In addition, the document focuses on specific time periods within this broad time frame to provide an understanding of the major factors and trends which underlie these substantial federal expenditures.
- Federal expenditures on Aboriginal peoples are reflected in yearly departmental publications such as the *Main Estimates* and *Public Accounts*. Actual expenditure figures (found in *Public Accounts*) are presented in this document for the years 1975-76 to 1990-91. In the years 1991-92 and 1992-93, *Main Estimates* expenditure data has been used since the actual expenditure data is not finalized. *Main Estimates*, while a good indication of expected annual expenditures, are only estimates. As such, events occurring throughout the year, such as government restraint measures and *Supplementary Estimates*, resulting in financial adjustments, are not reflected in *Main Estimates* figures, and therefore are not reflected in this document.
- The Department of Indian Affairs and Northern Development (DIAND) has a mandate, under the *Indian Act*, to provide services to Status Indians, including Inuit, only, whereas other government departments may provide services to all Aboriginal peoples. The extent to which these mandates differ is outlined in Annex 1, which describes all federal programs delivered to Aboriginal peoples. For the purposes of this paper, unless otherwise indicated, programs are delivered to Status Indians on-reserve.

OVERVIEW OF EXPENDITURES

1.1 HIGHLIGHTS

- Twelve federal departments offer programs for Aboriginal Canadians. These include Indian and Northern Affairs Canada; Health and Welfare Canada; Employment and Immigration Canada; Canada Mortgage and Housing Corporation; Industry, Science and Technology Canada; Secretary of State; Solicitor General; Fisheries and Oceans; Forestry Canada; Public Service Commission; Justice; and National Defence.
- Federal funding for Aboriginal programs has grown from an expenditure level of \$703 million in 1975-76 to an anticipated \$5,041 million in 1992-93. This represents an average annual increase of \$255 million or 12.3 percent.
- If the effects of inflation are eliminated, the real (constant dollar) growth in 1975 dollars has been from \$703 million to \$1,725 million, or at an average annual growth rate of 5.4 percent, since 1975-76.
- Since 1975-76, the portion of the federal budget devoted to Aboriginal programs has doubled. The growth rate of Aboriginal programs has far outstripped the growth in overall spending.
- In 1975-76, federal expenditures on Aboriginal programs represented 2.1 percent of overall federal expenditures, excluding expenditures on public debt. In 1992-93, 4.2 percent of the federal budget (*Main Estimates* excluding debt) has been allocated to Aboriginal programs.
- Since 1975-76, overall federal spending (excluding debt) has grown at an average annual rate of 7.9 percent, while spending on Aboriginal programs has increased by 12.4 percent annually.
- In recent years, the growth rate of expenditures on Aboriginal programs has exceeded the overall growth of federal expenditures. While the overall growth in federal expenditures between 1991-92 and 1992-93 has been limited to 3.1 percent, (due to legislated restrictions on government spending) funding for Aboriginal programs has increased 7.9 percent during this period.

-
- In addition to having access to specific Aboriginal programs, Aboriginal Canadians also have access to federal programs for non-Aboriginal Canadians (e.g. Old Age Security and Unemployment Insurance). Likewise, Aboriginal peoples have access to provincial programs directed toward Aboriginal peoples and also directed toward provincial residents. Moreover, the *Indian Act* exempts the property of an Indian, including income, situated on-reserve, from tax. Where purchases are made on-reserve, and in certain other cases, the exemption applies to the Goods and Services Tax. The extent to which Aboriginal peoples receive these other federal and provincial programs and tax exemptions is not reflected in this document.

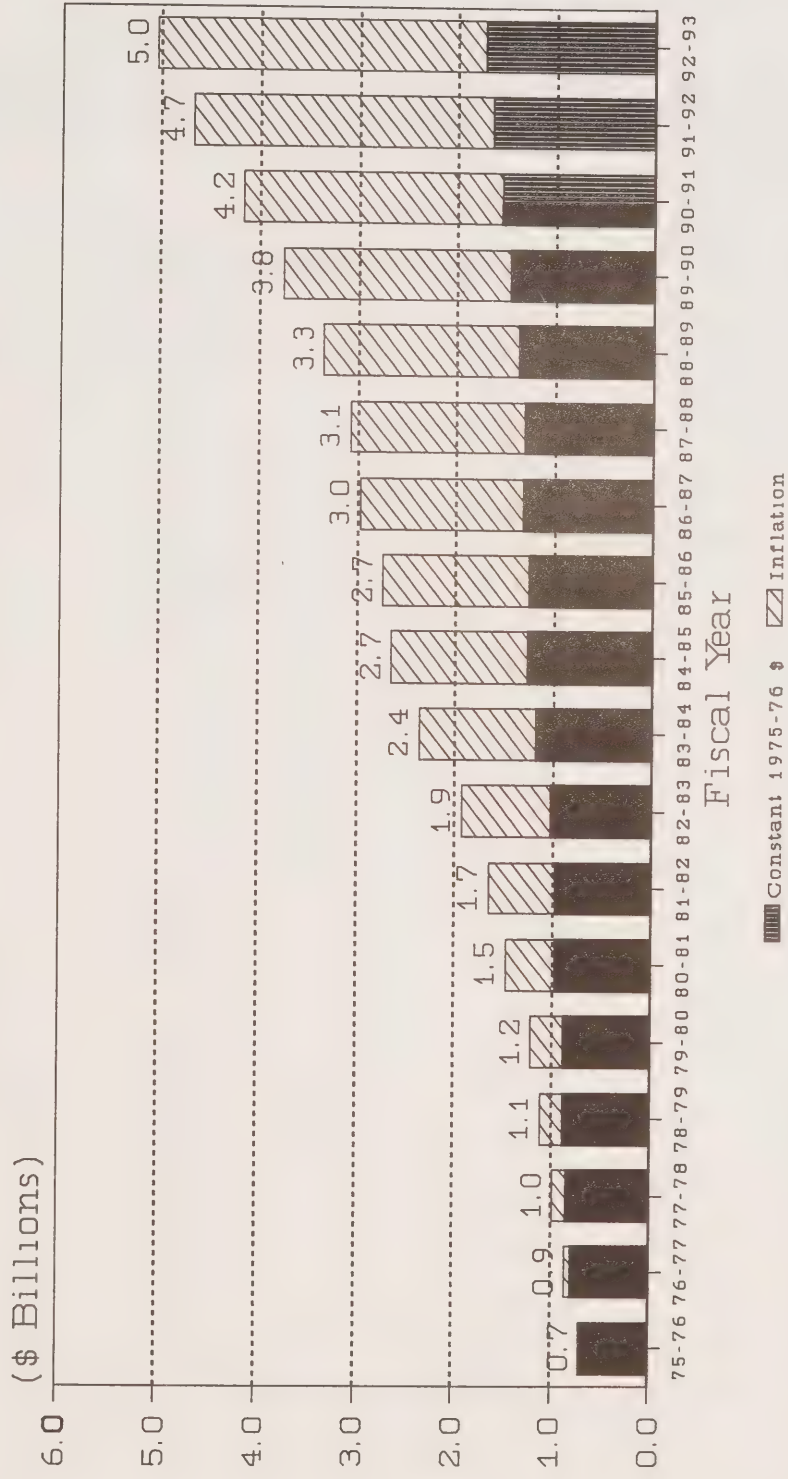
1.2 APPROXIMATE FEDERAL EXPENDITURES FOR ABORIGINAL PEOPLES¹

Year	Annual Departmental Expenditures for Aboriginal Peoples ² (\$ Millions)								Yearly Growth (%)
	DIAND	NHW	EIC	CMHC	ISTC	SS	Other	Total	
75-76	587	74	-	3	26	13	-	703	-
76-77	707	97	-	7	30	14	-	855	21.6
77-78	816	109	3	8	31	16	2	985	15.2
78-79	858	115	3	83	34	18	5	1,116	13.3
79-80	933	125	3	83	42	19	6	1,211	8.5
80-81	1,134	155	57	58	44	23	4	1,475	21.8
81-82	1,252	174	70	77	47	28	4	1,652	12.0
82-83	1,423	220	100	124	27	32	3	1,929	16.8
83-84	1,683	261	180	146	35	46	10	2,361	22.4
84-85	1,900	302	200	146	38	50	14	2,650	12.2
85-86	1,990	341	159	156	15	53	22	2,736	3.2
86-87	2,212	399	151	89	49	58	14	2,972	8.6
87-88	2,282	434	133	104	49	55	17	3,074	3.4
88-89	2,527	428	126	125	68	56	20	3,350	9.0
89-90	2,813	481	145	157	84	54	22	3,756	12.1
90-91	3,081	578	152	199	85	45	22	4,162	10.8
91-92	3,412	639	200	240	79	62	42	4,674	12.3
92-93	3,647	706	200	272	76	51	89	5,041	7.9

¹ Federal departments and agencies with Aboriginal programs include Indian and Northern Affairs Canada; Health and Welfare Canada; Employment and Immigration Canada; Canada Mortgage and Housing Corporation; Industry, Science and Technology Canada; Secretary of State; Solicitor General; Fisheries and Oceans; Public Service Commission; Justice; and National Defence.

² 1991-92 and 1992-93 figures are from *Main Estimates*. Figures include spending on Aboriginal employment equity programs, but do not include spending on programs available to all Canadians, such as Old Age Security and Unemployment Insurance.

FEDERAL EXPENDITURES ON ABORIGINAL PEOPLES CURRENT VS. CONSTANT DOLLARS

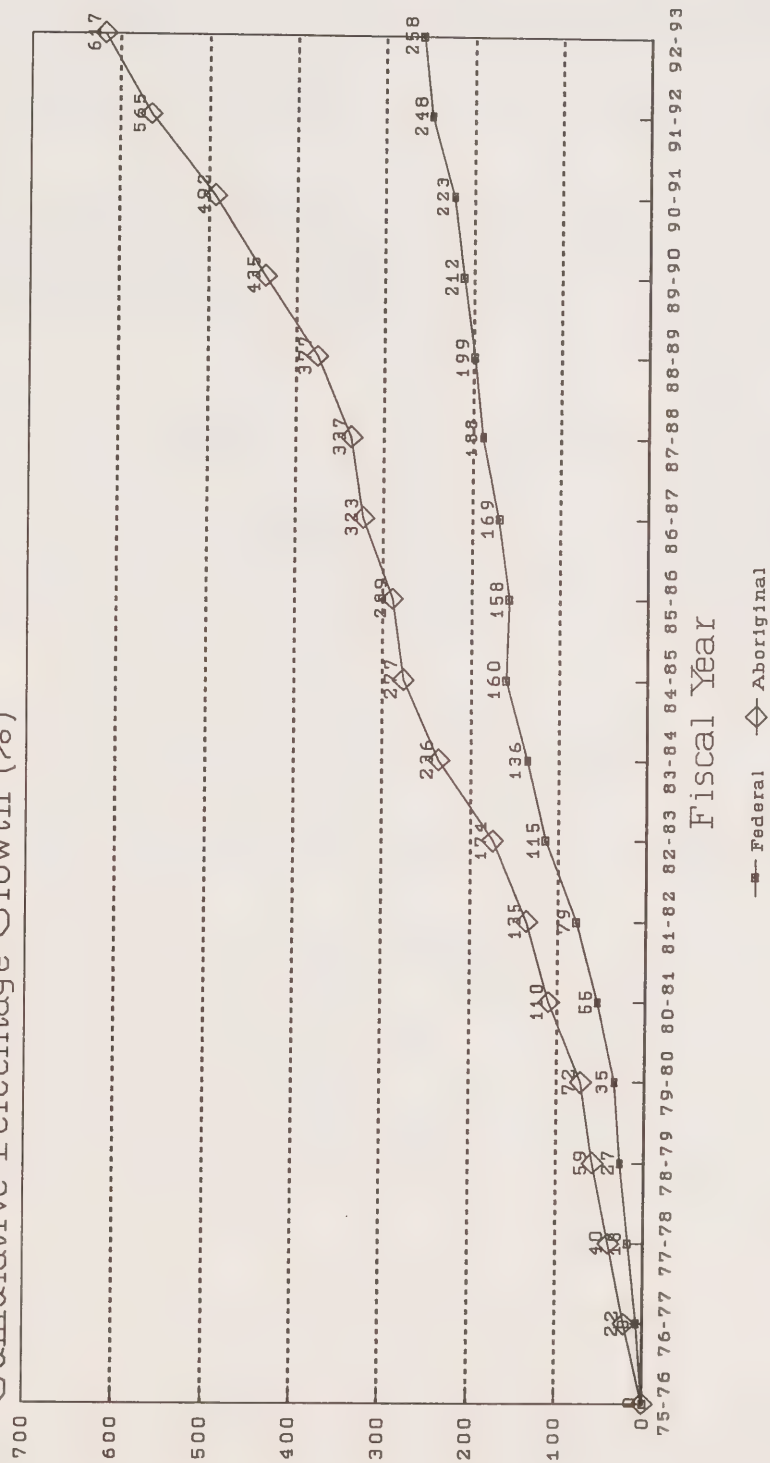


1.4 FEDERAL EXPENDITURES FOR ABORIGINAL PEOPLES COMPARED TO GOVERNMENTAL EXPENDITURES (EXCLUDING DEBT)³

Fiscal Year	Total Aboriginal Expenditures (\$ Millions)	Total Expenditures (Excl. Debt) (\$ Millions)	Percentage Aboriginal Expenditures (%)
1975-76	703	33,316	2.11
1976-77	855	35,889	2.38
1977-78	985	39,413	2.50
1978-79	1,116	42,459	2.63
1979-80	1,211	44,928	2.70
1980-81	1,475	51,473	2.87
1981-82	1,652	59,759	2.76
1982-83	1,929	71,618	2.69
1983-84	2,361	78,533	3.01
1984-85	2,650	86,760	3.05
1985-86	2,736	85,786	3.19
1986-87	2,972	89,730	3.31
1987-88	3,074	96,080	3.20
1988-89	3,350	99,532	3.37
1989-90	3,756	103,883	3.62
1990-91	4,162	107,434	3.87
1991-92	4,674	115,800	4.03
1992-93	5,041	119,400	4.22

³ The expenditures reflect budgeting amounts. As well, the 1991-92 and 1992-93 figures are from *Main Estimates*.

COMPARISON OF GROWTH IN EXPENDITURES
TOTAL FEDERAL (EXCLUDING DEBT) VS. ABORIGINAL
Cumulative Percentage Growth (%)



BREAKDOWN OF EXPENDITURE GROWTH

2.1 HIGHLIGHTS

- The federal government's special relationship with Indians led to the development of a wide range of programs, primarily on-reserve. For non-Aboriginal Canadians and for Aboriginal peoples residing off-reserve, many of these services are paid for by provincial and municipal governments.
- Although 12 federal departments have "Aboriginal Programs," over 98 percent of the government's expenditures on Aboriginal peoples flows through six main bodies: Indian and Northern Affairs Canada (72.3 percent); Health and Welfare Canada (14.0 percent); Canada Mortgage and Housing Corporation (5.4 percent); Employment and Immigration Canada (4.0 percent); Industry, Science and Technology Canada (1.5 percent); and Secretary of State (1.0 percent).
- In turn, approximately 38 percent of the \$5.0 billion allocated to Aboriginal programs in 1992-93 is directed to "Quasi-Statutory Services." These include services such as Elementary/Secondary Education (13.9 percent), Social Assistance and Welfare Services (16.2 percent), and Non-Insured Health Benefits (7.9 percent).
- Basic services consume a further 36.4 percent. These include: Schools and Infrastructure (10.5 percent), Health Care, not including Non-Insured Health Benefits (6.1 percent), Housing (8.1 percent), Band Management (5.3 percent), Post-Secondary Education (4.0 percent), Lands Revenues and Trusts (1.2 percent), and Justice and Policing (1.1 percent). Basic Services for Aboriginal peoples living north of the 60th Parallel uses 11.3 percent. Economic, Social and Citizenship Programs take up a further 10.8 percent, while Claims and Self-Government represents 3.4 percent.
- If the overall funding level for Aboriginal programs is expressed as a per capita figure, the government will spend approximately \$12,412 for each Status Indian living on-reserve or on Crown land in 1992-93. However, care must be exercised in the interpretation of this figure. While the per capita figure indicates that it is the amount spent on each Indian living on-reserve or on Crown land, it also includes some limited expenditures for Indians living off-reserve. In addition, these figures include spending related to a number of services which are typically provided to other Canadians by provincial and municipal governments. Over the past decade, per capita expenditures have increased by an average of 7.5 percent annually.

2.11 FEDERAL PROGRAMS DIRECTED TO ABORIGINAL PEOPLES

Department	Program	1992-93 Estimates (\$ Millions)
Indian Affairs and Northern Development (DIAND)	Self-Government	18.3
	Comprehensive Claims	70.9
	Economic Development	98.0
	Lands, Revenues and Trusts	140.3
	Education	903.3
	Social Development	816.3
	Capital Facilities and Community Services	665.1
	Band Management	269.4
	Northern Affairs	572.0
	Other	92.9
	Total	3,646.5
National Health and Welfare	Indian and Northern Health Services	706.4
Canada Mortgage and Housing	Social Housing	271.8
Employment and Immigration	Native Employment	200.0
Industry, Science and Technology	Aboriginal Economic Programs	76.0
Secretary of State	Transfer Payments to Aboriginal Groups	51.3
Solicitor General	Policing On-Reserve	44.7
Fisheries and Oceans	Fisheries Co-Management & Native Programs	8.0
Public Service Commission	National Indigenous Program	4.0
	Northern Careers Program	3.4
Justice	Aboriginal Justice	9.7
	Specific Claims Negotiations	4.5
	Aboriginal Self-Government Fund	1.7
	Mega Cases in British Columbia	1.3
National Defence	Northern Ranger Program	4.3
Other		7.5
TOTAL		5,041.1

2.12 STRUCTURE OF FEDERAL SPENDING ON ABORIGINAL PEOPLES

- Spending on Aboriginal peoples can be broken down into six major categories: quasi-statutory programs, basic services, claims spending, self-government funding, economic, social and citizenship programs and services north of the 60th parallel.
- Quasi-statutory programs are primarily directed to Indians living on-reserve, and are similar to programs available to non-Aboriginal Canadians from municipal and provincial governments. These programs include social assistance, elementary/secondary education and health services. Of the total spending on Aboriginal peoples, quasi-statutory programs constitute approximately 38 percent. The costs of delivery of these programs are driven by demographics, economic variables and provincial standards.
- Basic services include programs with a fixed budget such as community infrastructure, housing, support for band management, post-secondary education, justice and policing, and delivery of services in the area of lands, revenues and trusts. Although the costs of these programs are driven by demographics, economic variables and provincial standards, the federal government does not compensate the full cost of the programs. Basic services programs make up about 36 percent of total federal spending on Aboriginal peoples.
- Claims spending includes settlement payments as well as the costs associated with negotiations. Expenditures are a direct result of the recognition and fulfilment of Native treaty and territorial rights. In addition to compensating for outstanding federal obligations, settlements often provide land bases to ensure future self-sufficiency.
- Expenditures on services for Aboriginal people living north of the 60th parallel include a share of the territorial transfers. Services delivered are similar to the basic services (e.g. community infrastructure, housing, local government, etc.) delivered in the south.
- Funding for self-government includes funding for the development, negotiation and implementation of self-government agreements.
- Economic, social and citizenship programs promote Native self-sufficiency, competitiveness and citizenship. Programs are similar to those offered to non-Native Canadians.

2.13 FEDERAL SPENDING ON ABORIGINAL PEOPLES BY MAJOR CATEGORY OF EXPENDITURES

Type of Spending	Program	1992-93 Estimates (\$ Millions)	Percentage of Total (%)
Quasi-Statutory	Social Development	816.3	38.0
	Elementary/Secondary Education	702.0	
	Non-Insured Health Benefits	397.5	
	Total	1,915.8	
Basic Services	Schools and Infrastructure	527.3	36.4
	Housing	409.6	
	Health (Other than NIHB)	308.9	
	Local Government	269.4	
	Post-Secondary Education	201.3	
	Lands, Revenues and Trusts	62.1	
	Justice and Policing	57.4	
	Total	1,836.0	
Claims	Comprehensive Claims	70.9	3.0
	Specific Claims	78.2	
	Claims Negotiations	4.5	
	Total	153.6	
Services North of 60° for Aboriginal Peoples		572.0	11.3
Self-Government		18.3	0.4
Economic, Social and Citizenship Programs	Economic Development	174.0	10.8
	Employment and Training	207.4	
	Natural Resources	15.5	
	Citizenship	51.3	
	Defence	4.3	
	Other (DIAND)	92.9	
	Total	545.4	
GRAND TOTAL		5,041.1	100.0

2.14 PER CAPITA GROWTH OF FEDERAL EXPENDITURES FOR ABORIGINAL PEOPLES ON-RESERVE AND ON CROWN LAND^{4 5}

Fiscal Year	Total Federal Expenditures (\$ Millions)	On-Reserve and Crown Land		
		Expenditures (\$ Millions)	Population (Incl. Inuit)	Per Capita (\$)
1981-82	1,652	1,496	263,471	5,678
1982-83	1,929	1,715	272,498	6,294
1983-84	2,361	2,088	280,626	7,441
1984-85	2,650	2,349	289,051	8,127
1985-86	2,736	2,405	296,779	8,104
1986-87	2,972	2,652	305,397	8,684
1987-88	3,074	2,724	312,956	8,704
1988-89	3,350	2,974	322,548	9,220
1989-90	3,756	3,335	331,711	10,054
1990-91	4,162	3,616	341,347	10,593
1991-92	4,674	3,858	349,672	11,033
1992-93	5,041	4,444	358,028	12,412

⁴ 1991-92 and 1992-93 figures are from the *Main Estimates*.

⁵ Crown Land is defined as land, whether or not it is covered by water, or an interest in land, vested in the Crown.

2.2 KEY TRENDS OF EXPENDITURE GROWTH (DIAND)

2.21 HIGHLIGHTS

- Approximately three-quarters of all federal expenditures on Aboriginal peoples are accounted for by the Department of Indian Affairs and Northern Development (DIAND). Within DIAND, four main activities account for about half of the department's expenditures and are the primary driving forces behind DIAND's Aboriginal budget growth rate. While most of these activities are like those provided to non-Aboriginal peoples by municipal and provincial governments - elementary/secondary education, social assistance, and welfare services - they also include post-secondary education. Since 1981-82, the total of these four activities has grown at an average annual rate of approximately 12 percent.

Program	1981-82 Expenditures (\$ Millions)	1992-93 Estimates (\$ Millions)	Growth (\$ Millions)	Overall Percentage Growth	Average Annual Growth
Elementary / Secondary Education	272.9	683.7	410.8	151%	9%
Post-Secondary Education	25.1	201.3	176.2	702%	21%
Social Assistance	165.0	591.5	426.5	259%	12%
Welfare Services ⁶	38.7	204.8	166.1	429%	17%
TOTAL	501.7	1,681.3	1,179.6	235%	12%

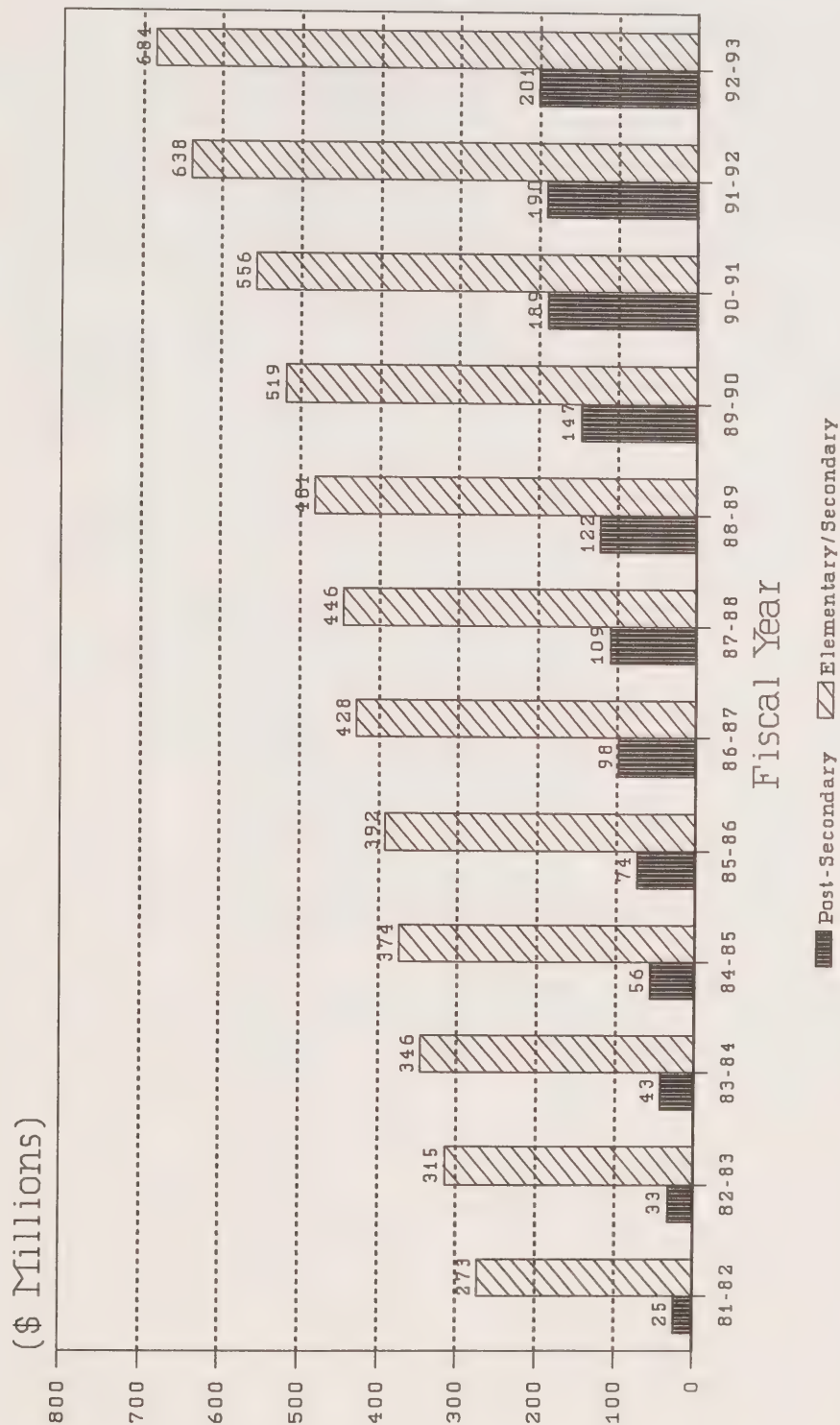
2.22 ELEMENTARY/SECONDARY EDUCATION

- Since 1981-82 federal funding for elementary/secondary education has increased by approximately 9 percent annually; from an actual expenditure of \$272.9 million in 1981-82 to an estimated \$683.7 million in 1992-93.
- During this same period the number of elementary/secondary students has grown by approximately 1.8 percent annually, from an overall enrolment of 80,466 students in 1981-82 to 96,594 students in 1991-92.

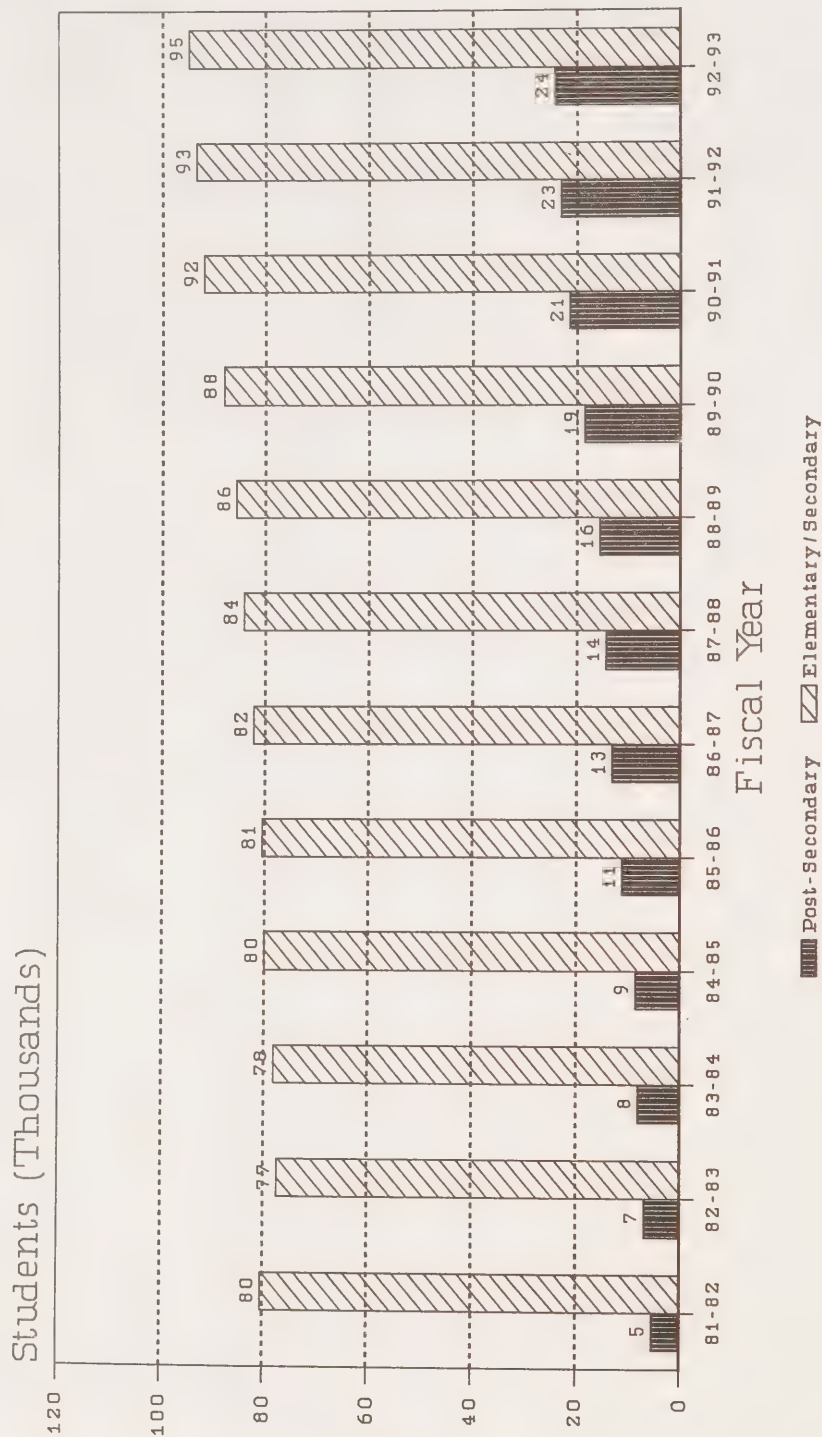
⁶ 1981-82 data includes only expenditures on Child Care and Adult Care. 1992-93 data also includes other programs such as the Family Violence Initiative in the total expenditures related to Welfare Services.

- First Nations are continuing to gain more control over their elementary/secondary education systems as 44 percent of Native students now attend band-operated schools.
- As a result of special post-secondary education programs providing opportunities for Indian students to become qualified teachers, 30 percent of the teaching staff in band schools are now Indian.
- The participation rate of on-reserve children (ages 6-15) in elementary/secondary schools has increased from 87.6 percent in 1985-86 to 91.4 percent in 1990-91. At the same time, Indian children are staying in school longer. The percentage of children reaching grades 12 or 13 through normal progression has risen from 33.9 percent in 1985-86 to 47.0 percent in 1990-91.
- Expenditures per student more than doubled between 1981-82 and 1992-93. In 1981-82, the average expenditure per student was \$3,391. In 1992-93, this figure increased to \$7,212; representing an average annual growth of 7.1 percent.

EXPENDITURES ON ABORIGINAL PEOPLES EDUCATION



EDUCATION ENROLMENT REGISTERED INDIAN STUDENTS



1991-92/1992-93 figures are estimates

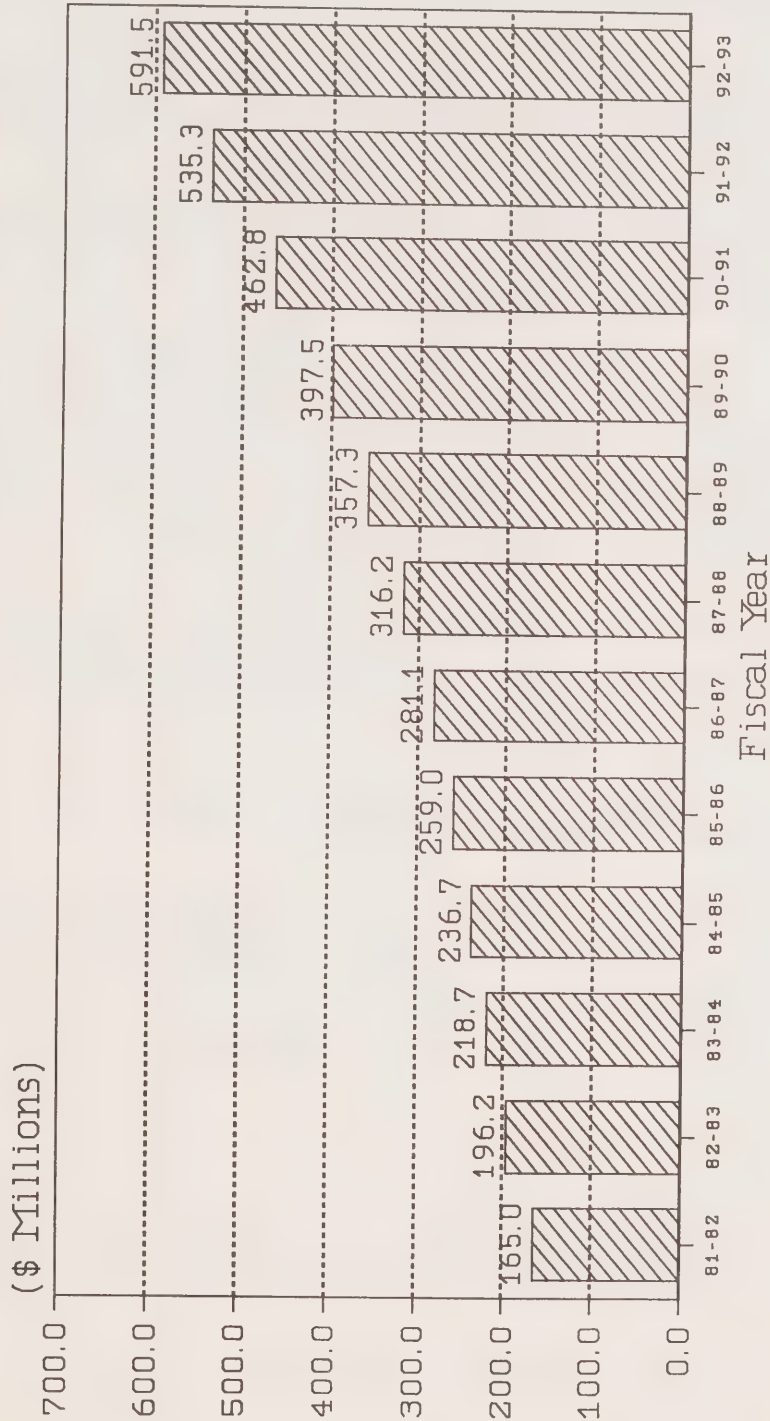
2.23 POST-SECONDARY EDUCATION

- Federal funding for DIAND's Post-Secondary Education Assistance Program (PSEAP) has increased more than eightfold since 1981-82, from actual expenditures of \$25.1 million to an estimated \$201.3 million in 1992-93, an average annual increase of about 21 percent. Bands or their education authorities administer more than 81 percent of the post-secondary program budget.
- In addition to subsidizing individual students, the PSEAP funds the Indian Studies Support Program which was established to fund special post-secondary programs for Indians. Also, financial support is provided to the Saskatchewan Indian Federated College.
- The number of post-secondary students receiving assistance has more than quadrupled from 5,467 in 1981-82 to an estimated 24,240 in 1992-93.
- Indian participation in post-secondary programs has grown from 1.5 percent of the total Indian population in 1979-80, to an estimated 2.5 percent in 1992-93. Of the eligible population (e.g. individuals that have earned at least a high school diploma), the Native participation rate is 22.6 percent, while the non-Native participation rate is 33.2 percent (1986 Census data).
- Per student expenditures almost doubled between 1981-82 and 1992-93. In 1981-82, the average expenditure per student was \$4,591. By 1992-93, this figure has increased to approximately \$8,304 per student.
- Employment prospects are improved with a post-secondary education. Indians with less than a high school education have an unemployment rate of 39 percent and a median income of \$9,700, while Indians with a university degree have an unemployment rate of 12 percent and a median income of \$21,300 (1986 Census Data).
- In recognition of the importance of post-secondary education, the government has ear-marked an additional \$320 million over five years, beginning in 1991-92. This will provide a federal total of \$1.18 billion over the 1991-92 to 1995-96 period.

2.24 SOCIAL ASSISTANCE

- Social assistance provides income support to those in need and is based on provincial rates and conditions. Services such as counselling, and band-designed employment creation and training programs are also available to motivate recipients to achieve independence and self-sufficiency.
- In 1992-93, recipients will receive \$591.5 million in support, an average annual increase of about 12 percent from the \$165.0 million expended in 1981-82. During 1990-91, \$11.5 million was spent on employment creation and training programs. This figure is expected to be \$17.7 million in 1992-93, or about 3 percent of total social assistance expenditures.
- The steady growth of expenditures on social assistance can be attributed to demographic pressures, economic pressures, migration on-reserve, high unemployment rates on-reserve and the increasing cost of basic living expenses such as housing assistance.
- In 1992, approximately 94 percent of bands will directly administer delivery of social assistance.

EXPENDITURES ON ABORIGINAL PEOPLES SOCIAL ASSISTANCE



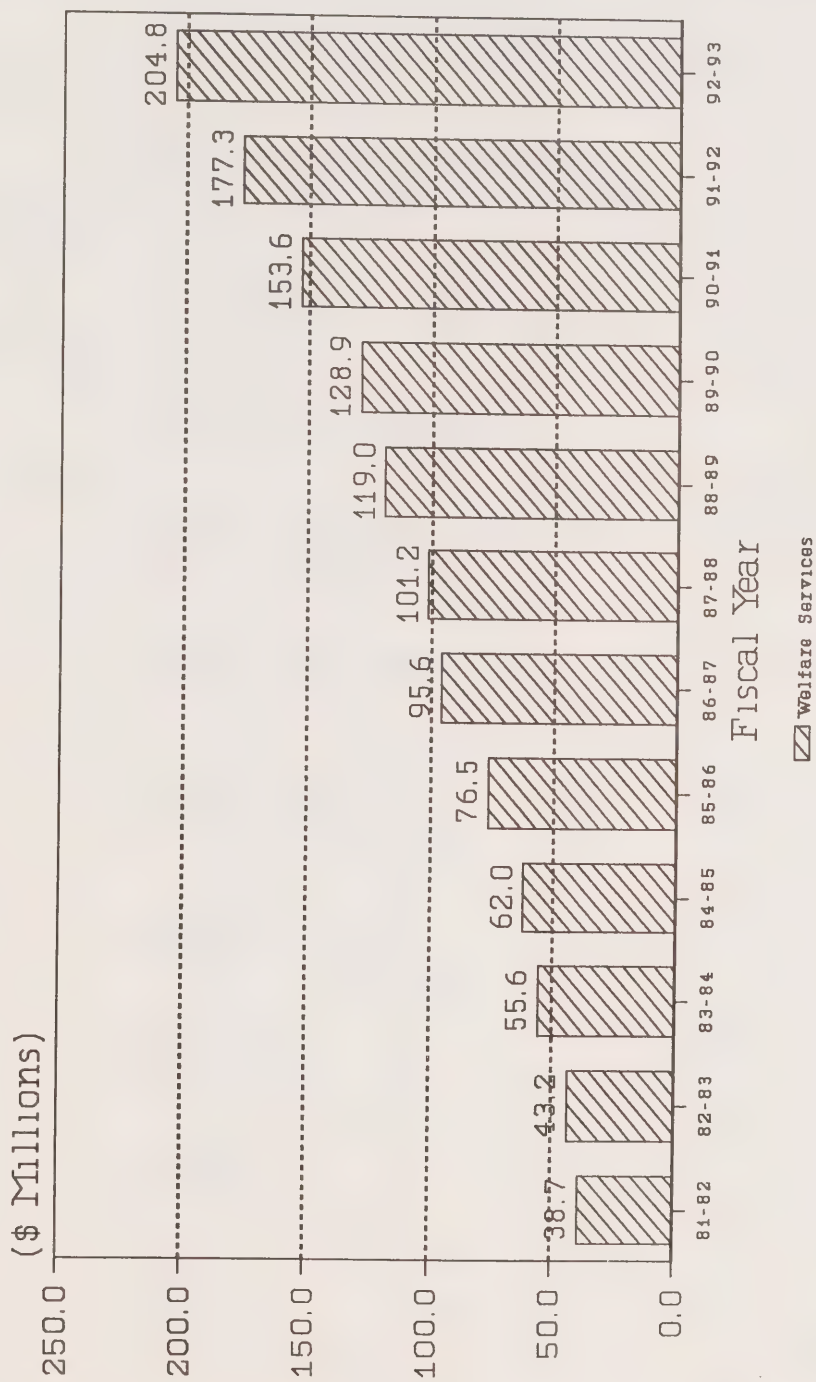
▨ Social Assistance

81-82/82-83 data from "Basic Dept. Data"

2.25 WELFARE SERVICES

- Welfare services include Indian Child and Family Services and Adult Care. These services protect individuals from neglect and abuse and enable adults with functional limitations to maintain their independence.
- Of the \$204.8 million allocated to welfare services in 1992-93, Child and Family Services comprise 78 percent or \$159.8 million, while Adult Care accounts for the balance of \$45.0 million, or 22 percent.
- Since 1981-82, expenditures on welfare services have grown at an average annual rate of about 16 percent, from \$38.7 million in 1981-82 to \$204.8 million in 1992-93. Growth in expenditures is driven primarily by on-reserve demographics, increasing costs of maintaining children and adults in institutions, and new programs to prevent institutionalization and expand Indian control over child and family service agencies.
- Expenditures per child in care grew an average annual rate of 17 percent from \$6,754 in 1981-82 to \$28,138 in 1990-91. During the same period, expenditures for adults in residential care grew an average annual rate of 10 percent, from \$12,075 to \$28,260.
- Between 1980-81 and 1990-91, the percentage of children in care has decreased from 6.0 percent to 4.0 percent.
- Emphasis is being placed on supporting increased Indian control of the development, design and delivery of child and family services. In 1990-91, DIAND funded 36 Indian Child and Family agencies covering 212 bands. Also in 1990-91, a total of \$1.5 million was allocated to First Nations, over a period of two years, for the development of Indian child and family service standards.
- A new Family Violence initiative has a budget of \$36 million for the period 1990-91 to 1994-95. Funds will be provided to communities for services to families on-reserve, and for training of health and social services personnel. Funding will be provided jointly by DIAND and Health and Welfare Canada.

EXPENDITURES ON ABORIGINAL PEOPLES WELFARE ASSISTANCE



81-82/82-83 data includes only Child/Adult Care Expenditures and is from 'Basic Departmental Data'.

CHILD AND ADULT CARE SERVICES PER CAPITA EXPENDITURES



2.3 KEY TRENDS OF EXPENDITURE GROWTH (OTHER GOVERNMENT DEPARTMENTS)

2.31 HIGHLIGHTS

- In addition to DIAND's expenditures on Aboriginal peoples, five other departments provide services involving about a further 25 percent of the total 1992-93 expenditures on Aboriginal peoples: Health and Welfare Canada (14.0 percent); Canada Mortgage and Housing Corporation (5.4 percent); Employment and Immigration Canada (4.0 percent); Industry, Science and Technology Canada (1.5 percent); and Secretary of State (1.0 percent).
- Remaining expenditures result from programs delivered by the Solicitor General's Office (1.0 percent); Fisheries and Oceans (0.2 percent); the Public Service Commission (0.1 percent); the Department of Justice (0.3 percent); and National Defence (0.1 percent).

Year	Annual Departmental Expenditures for Aboriginal Peoples ⁷ (\$ Millions)					
	NHW	EIC	CMHC	ISTC	SS	Other
1981-82	174	70	77	47	28	4
1982-83	220	100	124	27	32	3
1983-84	261	180	146	35	46	10
1984-85	302	200	146	38	50	14
1985-86	341	159	156	15	53	22
1986-87	399	151	89	49	58	14
1987-88	434	133	104	49	55	17
1988-89	428	126	125	68	56	20
1989-90	481	145	157	84	54	22
1990-91	578	152	199	85	45	22
1991-92	639	200	240	79	62	42
1992-93	706	200	272	76	51	89

⁷ 1991-92 and 1992-93 figures are from the *Main Estimates*.

2.32 HEALTH AND WELFARE CANADA (HWC)

- The increase in expenditures between 1975-76 and 1992-93 of \$632 million, or \$168 million in constant 1975 dollars, was primarily due to the increase in non-insured health benefits.
- Major volume increases, especially in non-insured health benefits, are due to a 55 percent population increase from 1981 to 1991 for Status Indians and Inuit.
- In addition to ensuring the availability of and access to health care, other programs are provided, such as community health services; environmental health and surveillance; and hospital and management services.
- In 1982, the National Native Alcohol and Drug Abuse Program (NNADAP) was introduced. The estimated funding level for this program in 1992-93 is \$54 million.

Program	1986-87 Expenditures (\$ Millions)	1992-93 Estimates (\$ Millions)
Non-Insured Health Benefits	165.5	397.5
National Native Alcohol and Drug Abuse Program	47.9	54.0
Other Health Services	185.6	254.9
TOTAL	399.0	706.4

- The quality of health care available for Indians has improved considerably. Between 1976 and 2001, the life expectancy of Status Indians is expected to increase by approximately 10 years for both sexes. The rate of Indian mortality has decreased from a level of 6.2 deaths per 1,000 population to 4.8 per 1,000 between 1982 and 1989.
- Indian infant mortality rates have dropped dramatically between 1971 and 1989, from 45 to 10 infant deaths per 1,000 live births. The death rate from accidents and violence has decreased from over 250 to under 150 deaths per 100,000 population between 1980 and 1989.

2.33 CANADA MORTGAGE AND HOUSING CORPORATION (CMHC)

- Since 1975-76, expenditures on Aboriginal peoples both on- and off-reserve have increased on an average annual basis of 30 percent from \$3 million to \$272 million in 1992-93.
- Programs delivered to Status Indians living on-reserve include the On-Reserve Non-Profit Housing program, and the Residential Rehabilitation Assistance Program.
- Programs delivered to Aboriginal peoples living off-reserve include the Rural and Native Housing program and the Urban Native Housing program, both of which provide either financial or technical assistance.
- For the period 1983-1991, the annual average number of units committed to be built by CMHC under the On-Reserve Non-Profit Housing program is 1,316. For the same period, the annual average commitments to renovation under the On-Reserve Residential Rehabilitation program is 1,822 units.

2.34 EMPLOYMENT AND IMMIGRATION CANADA (EIC)

- Since 1977-78, expenditures have increased from \$3 million to \$200 million. This represents an average annual increase of 32 percent.
- In partnership with Aboriginal peoples, ISTC, DIAND and EIC have joined to formulate the Canadian Aboriginal Economic Development Strategy (CAEDS).
- Under the CAEDS initiative, EIC deals with employment and skills development opportunities. ISTC has the lead in business development and the establishment of Aboriginal capital corporations, whereas DIAND is responsible for supporting community economic development and resource development. All three departments have a research and advocacy role: expanding understanding of the Aboriginal economy; developing models of new local approaches to economic development; facilitating partnerships with investment; business and government institutions; and informing the public about Aboriginal economic development.
- As part of the Canadian Jobs Strategy, the "Pathways to Success" strategy focuses on Aboriginal training and employment. Programs delivered directly to Aboriginal peoples address issues such as job development, job entry, skill shortages, skill investment, and community futures. Since 1985, approximately

23,000 Aboriginal peoples have begun participating in a Canadian Jobs Strategy program each year.

- In 1991-92, consultations between EIC and Aboriginal peoples led to the formation of the National Aboriginal Management Board to ensure training and human resource development programs are delivered with direct input from Aboriginal peoples.

2.35 INDUSTRY, SCIENCE AND TECHNOLOGY CANADA (ISTC)

- Between 1975-76 and 1992-93, program expenditures have grown at an average annual rate of 6.5 percent from \$26 million to \$76 million.
- Through ISTC and DIAND programs associated with CAEDS, Indian and Inuit communities are assisted in: developing the capacity to pursue their business and employment goals; negotiating access to benefits from major resource development projects off-reserve; and securing private and public sector investment in developing on-reserve resources.
- ISTC's four major components of CAEDS are the Aboriginal Business Development Program, the Joint Ventures Program, the Aboriginal Capital Corporations Program and the Research and Advocacy Program.
- In 1989, at the inception of the program, the government committed a total of \$875 million over the next five years toward CAEDS.

2.36 SECRETARY OF STATE (SS)

- Between 1975-76 and 1992-93, programs for Aboriginal peoples have resulted in expenditure growth on an average annual basis of 8.4 percent, from \$13 million to \$51 million.
- Through transfer payments, Aboriginal peoples can initiate and design projects that address cultural, political and economic issues affecting their lives in Canadian society.
- The Aboriginal Friendship Centre program provides capital and project funding for the 99 centres across Canada open to Aboriginal peoples travelling to or residing in urban communities.

- The two Canada/Territories Aboriginal Language Agreements are designed to encourage the preservation and maintenance of Aboriginal languages in the territories.
- Other programs include the Northern Native Broadcast Access Program; the Aboriginal Representative Organizations Program; the Aboriginal Constitutional Review Program; the Aboriginal Women's Program; and the Native Social and Cultural Development Program.

2.37 OTHER GOVERNMENT DEPARTMENTS

- Responding to the 1986 findings of the Federal Task Force on Native Policing, the Solicitor General's Office now provides increased federal support for policing services on-reserve. In 1991, following the approval of a federal Native policing policy, a \$116.8 million five-year plan was established to improve and expand policing on-reserves.
- In 1991, \$26.4 million was allocated over five years to the Aboriginal Justice Initiative. The program, involving the Solicitor General's Office and the Department of Justice, will develop a long-term federal policy on the administration of justice relating to Aboriginal peoples.
- The Department of Justice also commits \$1.7 million a year in support of tri-partite self-government negotiations. These provincially led discussions are cost-shared by the two levels of government, and provide funding to Aboriginal organizations to pursue self-government arrangements that reflect the particular needs and circumstances of Aboriginal peoples who live outside a designated land base.
- In 1992, a \$105 million, five-year Aboriginal Fisheries Strategy was launched as a program under Fisheries and Oceans. This program will increase economic opportunities in Canadian fisheries for Aboriginal people and enhance Native participation in fisheries management. In 1992-93, this program will cost \$8 million.

- In 1992-93, the Public Service Commission will spend \$4 million on the National Indigenous Development Program (NIDP), and \$3.4 million on the Northern Careers Program (NCP). To increase the representation of Aboriginal peoples in the Public Service, the NIDP provides Aboriginal peoples with training and experience in the federal government. The NCP is a similar program targeted to Aboriginal peoples living in the north.
- National Defence will fund \$4.3 million in 1992-93 for the Northern Rangers, a sub-component of the Canadian Forces Reserves.

2.4 IMPACT OF DEMOGRAPHICS ON EXPENDITURES

2.41 HIGHLIGHTS

CURRENT POPULATION

- DIAND estimates that the Canadian population with Aboriginal origins is about 958,000 (1991). This figure represents about 3.5 percent of the total Canadian population (27,296,859).
- There are currently an estimated 521,000 Status Indians, of which 316,000 reside on-reserve and 205,000 off-reserve. These figures are adjusted for late reporting of births. (Actual 1991 figures from the Indian Register are 304,759 on-reserve Indians, 207,032 off-reserve Indians for a total of 511,791 Status Indians.) The Inuit population is in the range of 34,000. The Métis and non-Status Indian population is estimated to be about 403,000.

POPULATION GROWTH

- Between 1981 and 1991, average annual growth for the overall Aboriginal population is estimated to be 2.7 percent. For Status Indians, this figure is 4.5 percent.
- The annual growth rate for Status Indians peaked at 7.7 percent in the mid-1980's, due to Bill C-31, as 73,983 new registrants entered the population between 1985 and 1990. This rate will decline to 1.6 percent by 2001.
- The Status Indian population growth rate is expected to continue through 2001 at almost twice the Canadian population growth rate.
- Most Aboriginal groups will increase their proportion of the Canadian population by 2001. The Aboriginal population is expected to increase to 1,145,000 by the year 2001 (an annual growth rate of 1.8 percent).
- The Status Indian population is expected to grow to approximately 623,000 by 2001, of which 386,000 will be on-reserve and 237,000 will reside off-reserve.
- The Inuit population is expected to increase to 41,000 by 2001.

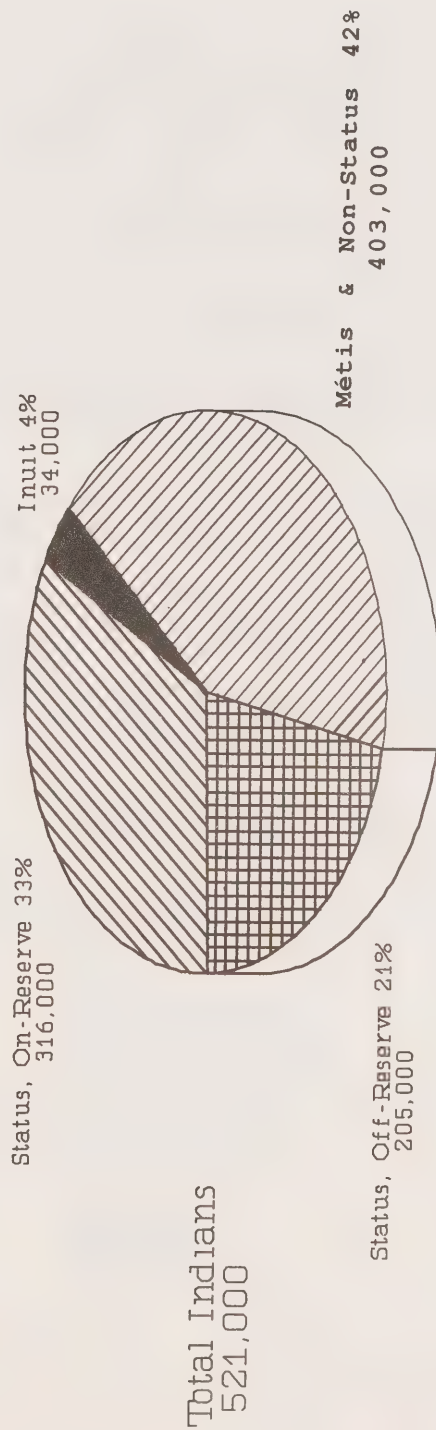
AGE STRUCTURE

- The Status Indian population is and will continue to be younger than the Canadian population. The median age is 10 years younger than for the general Canadian population and this gap is expected to continue through 2001.
- The Status Indian population is aging into the working age group (15 to 64), while Canadians are aging into retirement (65+). Nonetheless, the total number of Status Indians over age 65 will grow 1.4 percent annually between 1981 and 2001, from 22,191 to 29,000.

IMPACT ON PROGRAM REQUIREMENTS

- The number of Indians living on-reserve will continue to increase significantly, resulting in an increased demand for the full range of services provided on-reserve. This will have an impact on the on-reserve education system due to the youthfulness of the population.
- With the bulk of the Indian population approaching young adulthood, there will be a growing demand for sustainable employment opportunities, and a corresponding need for services oriented to the labour market, such as post-secondary education, training, and economic development.
- If there is not a significant number of new employment opportunities, unemployment could increase in the rising population of Indian youth, and potentially could add to social assistance costs.
- The aging of the Indian population between 1991 and 2001, and increased life expectancy will result in an increased population of elderly Indians with their own special adult care needs.

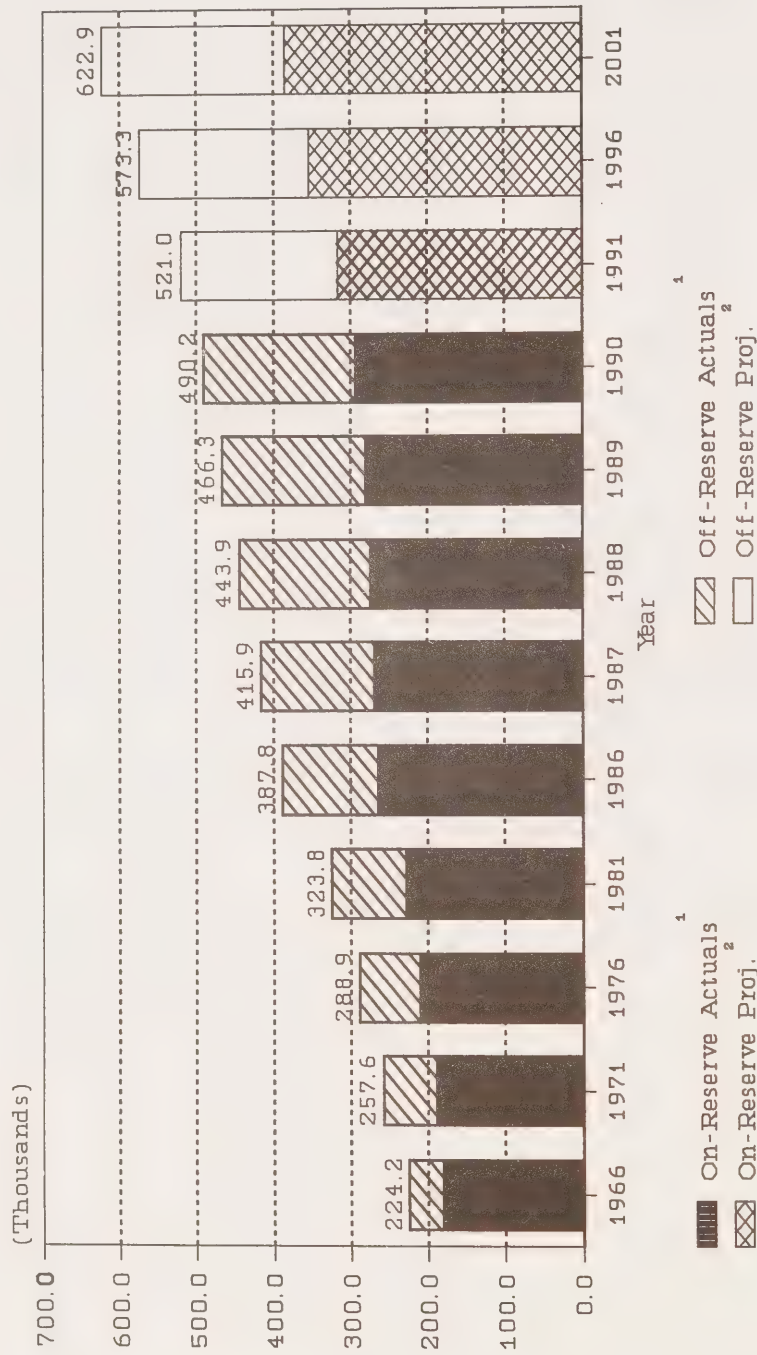
ABORIGINAL POPULATION BY GROUP 1991



Total Aboriginal Population 958,000
3.5% of Canada's population of 27,300,000

Source: "Highlights of Aboriginal Conditions", Part I

REGISTERED INDIAN POPULATION GROWTH ON- AND OFF-RESERVE



Source: 1. "Basic Dept., Data 1991". Unadjusted for late reporting of births
 2. "Population Projections of Registered Indians, 1986-2011", Adjusted for late reporting of births

2.5 IMPACT OF CLAIMS ON EXPENDITURES

2.51 HIGHLIGHTS

COMPREHENSIVE CLAIMS

- Comprehensive Claims are based on the concept of continuing Aboriginal rights and title which have not been dealt with by treaty or other legal means.
- The main objective of comprehensive claim settlements is to clarify the rights of Aboriginal groups, to lands and resources, through negotiations and settlement, in a manner which will facilitate economic growth and contribute to the development of Aboriginal self-government.
- Due to the complex nature of the issues to be resolved, negotiations often take many years. In the interim, claimants are provided with loans to aid in conducting negotiations.
- Four comprehensive claim settlements have been reached since the federal government's claims policy was first announced in 1973. These are the James Bay and Northern Quebec Agreement (1975); Northeastern Quebec Agreement (1978); Inuvialuit Final Agreement (1984), and the Gwich'in Dene/Métis in the Mackenzie Delta region (1992).
- Seven comprehensive claims are presently in the negotiation stages. A further 22 claims, mostly in British Columbia, have been accepted for negotiation by the federal government.

SPECIFIC CLAIMS

- Specific claims arise from the alleged nonfulfilment of Indian treaties or the administration of lands and other assets under the *Indian Act* or other formal agreements. Where a breach in lawful obligation can be demonstrated by an Indian band, the government pays compensation to the band to make up for its loss.
- The most recent specific claims settlements have been the Treaty Land Entitlements in Saskatchewan. These settlements involve payments of approximately \$500 million (\$264.5 million is the federal share) spread over 12 years, to fulfil the outstanding treaty obligations of up to 26 bands.

IMPACT OF CLAIMS ON EXPENDITURES

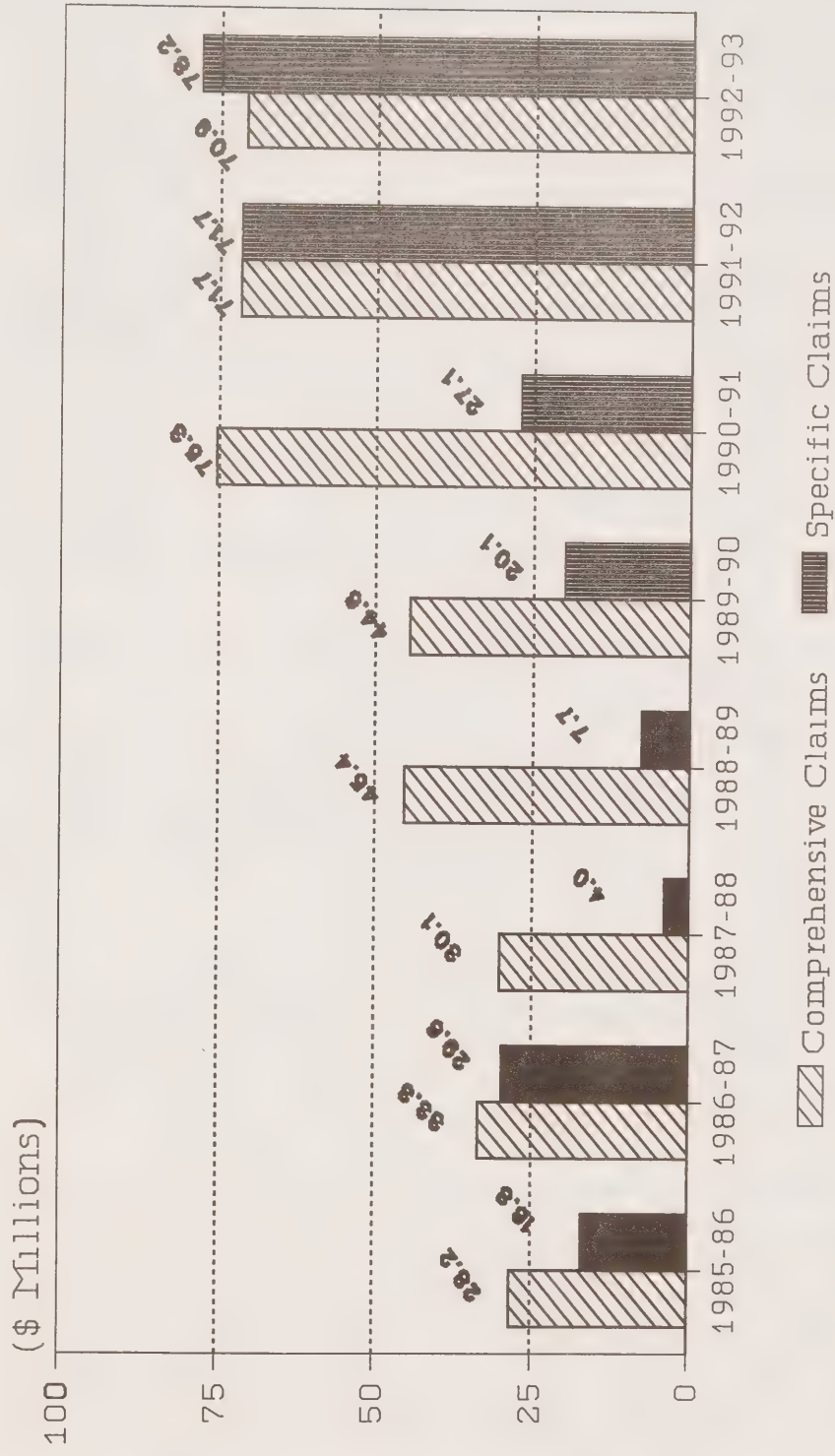
- Comprehensive claims settlements usually entail a compensation package that provides for an ongoing cash flow over the period specified in the final settlement agreement (e.g. 15 to 20 years) including interest to account for the time value of money. On the other hand, specific claims settlements are generally a lump sum payment, although some specific settlements are paid over two to three years.
- The following is a table of the historic and expected future expenditures on claims.

TYPE OF CLAIM	EXPENDITURES ⁸ (\$ Millions)							
	1985-1986	1986-1987	1987-1988	1988-1989	1989-1990	1990-1991	1991-1992	1992-1993
COMPREHENSIVE	28.2	33.3	30.1	45.4	44.6	75.3	71.7	70.9
SPECIFIC	16.8	29.6	4.0	7.7	20.1	27.1	71.7	78.2

- As awareness of Aboriginal and treaty rights and entitlements increases among Aboriginal Canadians, there is an increase in demands for claims settlements, treaty renegotiation and better services.
- In the past, Native claimants expressed considerable dissatisfaction with the specific claims process, largely due to the time required to process claims. Under the Native Agenda, the claims process was streamlined, and an additional \$355 million in funds was allocated (for the period 1991-92 to 1994-95) to accelerate the claims settlement process. In addition, a Specific Claims Commission has been established to review cases where the government and Indian claimants cannot agree on whether claims are valid, or on the terms of compensation.

⁸ Expenditures in 1991-92 are forecast, expenditures for 1992-93 are *Main Estimates*. The 1992-93 figures do not include the additional expenditures which will be incurred under the Saskatchewan Treaty Land Entitlement settlement (up to \$46.1 million in 1992-93 to be accessed through *Supplementary Estimates*).

CLAIMS BUDGETARY EXPENDITURES



2.6 IMPACT OF MAJOR NEW POLICY AND LEGISLATIVE INITIATIVES ON EXPENDITURES

2.61 NATIVE AGENDA

NATURE OF THE NATIVE AGENDA

- The goal of the Native Agenda is to foster and strengthen the special relationship between the federal government and First Nations, within the economic and political framework of Canada. The Agenda is composed of four strategic pillars:
 - To expedite land claim settlements;
 - To enhance living conditions on-reserve;
 - To nurture a new relationship between the government and Aboriginal peoples; and
 - To recognize and enhance the role of Aboriginal people in contemporary Canadian society.

IMPACT OF NATIVE AGENDA ON EXPENDITURES

- At the inception of the Native Agenda, in September of 1990, \$571 million in additional funds was ear-marked for the period 1991-92 to 1994-95, to support the following specific initiatives: Treaty Land Entitlement; the British Columbia Comprehensive Claims; the Manitoba Northern Flood Agreement; development of a policy to accelerate specific claim settlements; extension of child welfare and family services; policing on-reserves; and Aboriginal Justice.
- In addition to the ear-marked funds, numerous other initiatives have been identified as falling under the umbrella of the Native Agenda's four strategic pillars. Each of the following initiatives involves either expenditures from existing program allocations or new funds secured in addition to the \$571 million for initiatives identified above.
- Under Pillar 1, which deals with the acceleration of Native land claim settlements, there has been progress on a number of issues: the Gwich'in Comprehensive Claim Final Agreement of April 1992 (\$75 million) and settlement legislation of December 1992; the Tungavut Federation of Nunavut Final Agreement initiated in 1991 and ratified by the Inuit in 1992 (\$580 million); the Council for Yukon Indians Comprehensive Claims Final Agreement signed in December of 1991 (\$248 million); the Oujé-Bougoumou (Quebec) Claims Agreement signed in May 1992 (\$60 million); the Woodland Cree Settlement signed in August 1991 (\$49.7 million); and the Grouard Band Settlement signed in January 1992 (\$2.7 million).

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- Additional expenditures will be committed when final agreements are reached on the following land claims, which are in various stages of negotiation: the Labrador Inuit Association Comprehensive Claim (Framework Agreement signed in November 1990); the Nisga'a Comprehensive Claim (Framework Agreement of March 1991); the Sahtu Comprehensive Claim (Framework Agreement signed in October 1991); the Turton Penn Land Claim Process (Memorandum of Understanding signed in July 1991 to purchase 200 acres of land); and the Lubicon land claim negotiations.
 - Expenditures for the improvement of socio-economic conditions on-reserve include: the "Pathways to Success" initiative launched in November 1990, with recent enhancements providing \$200 million per year for Native labour market programs; the six-year, \$250 million, on-reserve water and sewage system program announced in March 1991; the six-year \$25 million Indian Drinking Water Initiative announced in March 1991 by Health and Welfare Canada; the \$840,000 Aboriginal Women's Economic Development Initiative launched in March 1991; the five-year, \$320 million increase announced for post-secondary education in April 1991; the four-year, \$36 million initiative announced in August 1991 to establish services to combat family violence on-reserve; the "Brighter Futures" initiative announced in May 1992 by Health and Welfare Canada, including \$160 million ear-marked for Status Indians on-reserve and Inuit communities to address mental health, child development, and solvent abuse issues; the five-year, \$105 million Aboriginal Fisheries Strategy announced in June 1992, by the Department of Fisheries; and the Aboriginal Workforce Participation Initiative, announced in September 1991, designed to increase Aboriginal participation in the public service.
 - Additionally, the federal government concluded a conditional Agreement, signed in March 1992, with Manitoba to provide enhanced electrical service to nine remote Native communities.
 - The improvement of Native-government relationships include community self-government negotiations, of which 31 projects, representing 120 bands, are in the developmental stages of negotiations, and 14 projects, representing 51 bands, are in the substantive negotiations stage. When finalized, these agreements will involve additional federal expenditures. Additionally, in the area of Aboriginal Justice initiatives, the Solicitor General announced, in July 1991, plans to establish an Aboriginal women's prison and healing lodge; and the federal government, in June 1992, agreed to extend funding for one year to the Ojibway Probation Services.
 - On the third and fourth pillars of the Native Agenda, dealing with the need for a new relationship between the government and Aboriginal peoples, and the need to enhance the role of Aboriginal people in contemporary Canadian

society, the government has initiated a number of initiatives. In May 1991, the government announced the establishment of the Royal Commission on Aboriginal Peoples with a broad mandate to examine the concerns of Native peoples in contemporary Canadian Society.

2.62 GREEN PLAN

NATURE OF THE GREEN PLAN

- The Green Plan represents a government-wide commitment to environmental protection and enhancement that offers new policies, programs and standards to clean up, protect and enhance our land, water and air, renewable resources, the Arctic, parks and wildlife.
- It also includes measures to reduce waste generation and energy use, maintain global environmental security, foster environmentally responsible decision-making and improve emergency preparedness.
- DIAND-led initiatives are the: Arctic Environmental Strategy and Indian Health and Water Initiative.

IMPACT OF THE GREEN PLAN ON EXPENDITURES

- **Arctic Environmental Strategy (AES):**
 - A \$100 million, six-year action plan to address the contamination of the northern ecosystem and Native diets; waste clean-up management in the territories; the management and protection of northern waters; and the integration of environmental and economic concerns.
- **Indian Health and Water Initiative:**
 - A major component of the Green Plan, the Indian Health and Water initiative will spend \$275 million over six years (\$250 million to be administered by DIAND and \$25 million by NHW) to protect and enhance the quality of water on-reserve; and to promote the wise and efficient use of water.
- The Indian Health and Water Initiative will result in adequate potable water service for 92 percent of existing houses on-reserve (rather than the pre-Green Plan level of 85 percent). Eighty-nine percent of existing houses will receive proper sewage disposal facilities (an improvement over the pre-Green Plan level of 77 percent).

- Through Green Plan funding, approximately 7,000 houses will receive an adequate level of water and sewage services. Existing programs (without Green Plan funding) will continue to service approximately 1,200 additional homes over the same period.

2.63 BILL C-31

NATURE OF BILL C-31

- In June 1985, amendments to the *Indian Act* were passed by Parliament. These amendments (Bill C-31) restore Indian status and membership rights to individuals and their children who had lost them because of discriminatory clauses contained in the original *Indian Act*.
- Bill C-31 had three principle goals:
 - To eliminate discrimination based on gender and marital status in the *Indian Act*;
 - To restore Indian status to victims of past discrimination; and
 - To enable Indian bands to assume control over their membership.
- As a result of Bill C-31, the *Indian Act* now treats men and women equally when determining status, and prevents anyone from gaining or losing status through marriage.

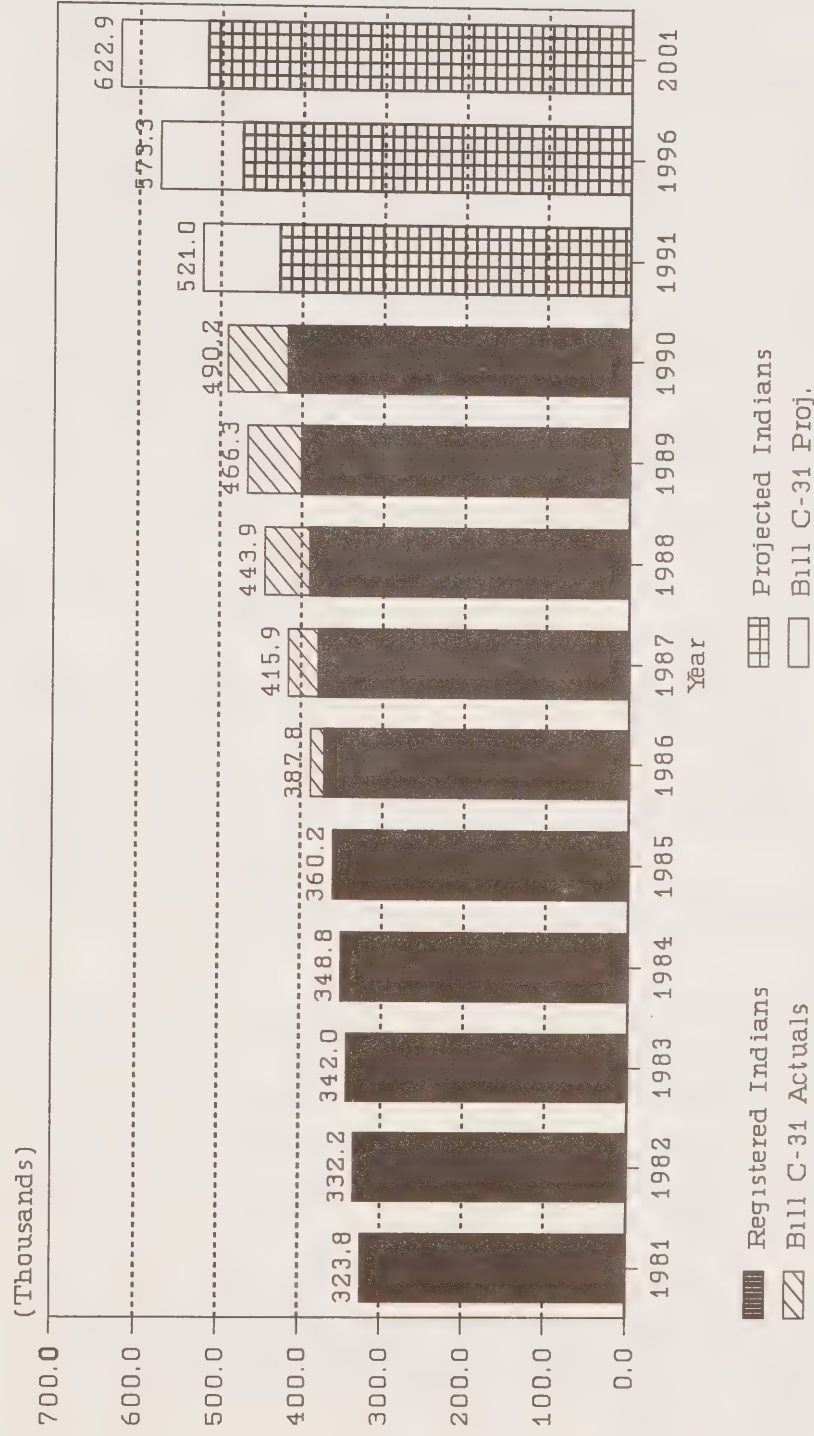
IMPACT OF BILL C-31 ON DEMOGRAPHICS

- The high growth rates (particularly off-reserve) in Status Indian population between 1985 and 1990 can be attributed partially to the re-instatement of an estimated number of 73,983 C-31 Indians.
- As many Bill C-31 registrants are off-reserve, the off-reserve population of Status Indians more than doubled between 1981 and 1991, from below 100,000 to over 200,000.
- In 1991, 18 percent of all Status Indians are Bill C-31 registrants or their children. This proportion is expected to decline to 17 percent in 2001.
- Bill C-31 has had a major impact on the respective proportions of Indians on- and off-reserve. Thus, as their proportion of the total Status Indian population increases, the percent living on-reserves will decline. The main impact was felt between 1985 and 1990. Approximately 10 percent of Bill C-31 registrants are expected to reside on-reserve.

IMPACT OF BILL C-31 ON EXPENDITURES

- The passage of Bill C-31 has created a greater awareness among Indians regarding funding to support their Aboriginal and treaty rights and other entitlements. In addition, an increased population of Status Indians has necessitated an increase in program expenditures to meet the greater demand for services. As of June 1990, program expenditures for Bill C-31 registrants in key program areas have amounted to \$338 million since 1985.
- These expenditures increased steadily from 0.3 percent of total program expenditures in 1985-86 to approximately 8.3 percent in 1989-90. The four major program areas and associated expenditures between 1985 and 1990, are:
 - Non-insured health benefits, \$101 million, or 30 percent;
 - Housing and infrastructure, \$91 million, or 27 percent;
 - Post-secondary education, \$71 million, or 21 percent; and
 - Social assistance, \$41 million, or 12 percent.
- Since 1990, many departments have not separated Bill C-31 expenditures from total Aboriginal expenditures. DIAND's expenditures related to Bill C-31 have increased steadily, and in 1992-93 are budgeted to be \$206 million.

REGISTERED INDIAN POPULATION SHOWING EFFECTS OF BILL C-31



Source: "Basic Dept. Data 1991"

2.64 DEVOLUTION

NATURE OF DEVOLUTION

- This initiative reflects the government's ongoing policy of transferring responsibility for the delivery of services and programs from DIAND to the direct control of First Nations who wish to take on such responsibilities.
- In 1986, the Treasury Board approved a comprehensive five-year devolution plan. The plan uses four principal funding mechanisms to effect the transfer of resources: Contributions; Flexible Transfer Payments (FTPs); Alternative Funding Arrangements (AFAs); and Grants. DIAND is currently developing a new strategy to complete the transfer of services to First Nations who wish it.
- Contributions were used exclusively throughout the 1970s and 1980s to devolve programs to bands. Contributions provide detailed prescriptions, on a program-by-program basis, of what is to be delivered and how. Terms and conditions are significant and impose substantial financial control over bands.
- Flexible Transfer Payments (FTPs) were introduced in 1990-91 to simplify the terms and conditions of contribution programs funded as a fixed annual amount. FTPs prescribe what is to be delivered, but not how. Consequently, reporting by bands is reduced, and flexibility to determine the most effective local means of delivering programs is increased. DIAND's focus changes from expenditures to results achieved. Under FTPs, surpluses are retained and used at the recipient's discretion, but no incremental funding is provided if deficits arise.
- Alternative Funding Arrangements (AFAs), were introduced in 1986-87 to provide bands with the maximum level of authority available under existing legislation and policy. AFAs enable bands to redesign programs and re-allocate funds in accordance with community priorities. An agreement is developed after bands have demonstrated adequate local management and accountability systems.
- Under AFAs, reporting requirements are reduced, local planning and sound management is supported by providing multi-year budgets, community needs and opportunities are the focus for programs and expenditures, and accountability to the constituents of a council is emphasized due to local decision-making authority.
- Grants are unconditional transfer payments with minimal terms which are used to provide core administrative funding to all First Nations as well as to fund First Nations under self-government legislation.

- In 1992-93, flexibility has increased for First Nations. There are currently 110 signed AFAs servicing 198 First Nations for a total of \$396 million. Flexible transfer payments make up a further \$758 million.
- Progression through the various mechanisms shown on the "Spectrum of Funding Mechanisms" diagram is a natural evolution towards self-government for many First Nations.
- Devolution has also occurred in other departments, such as the devolution of the Pathways program from Employment and Immigration, the Aboriginal Business programs from Industry, Science and Technology, and Community Health programs from Health and Welfare Canada.
- While many programs are administered through local Band Councils and Tribal Councils, Aboriginal institutions, such as Aboriginal Capital Corporations, and Aboriginal public sectors have evolved to aid in the administration of programs.

IMPACT OF DEVOLUTION ON EXPENDITURES

- Indian administration of program expenditures has steadily increased since 1985-1986.
- Phase I of the Devolution Plan which involves the transfer of community services, such as social development and elementary/secondary education, is now almost complete.
- By the end of 1991-92, 77.3 percent of the expenditures of the Indian and Inuit Affairs Program (approximately \$2 billion) were fully administered by First Nations through Band Councils, Tribal Councils, or other Indian organizations. This figure has increased 15.2 percentage points since 1985-86 when bands administered 62.1 percent of Indian and Inuit Affairs Program spending.
- Since 1982-83 the number of authorized person years in the Indian and Inuit Affairs Program has decreased 42 percent from 4,463 to 2,608 in 1992-93. This decrease in person years is partially due to Indians assuming control over the delivery of departmental programs.
- First Nations attribute improving social and economic conditions to greater Indian control which has been achieved through the devolution process.

SPECTRUM OF FUNDING MECHANISMS
DEVOLUTION TO SELF-GOVERNMENT

MECHANISM

CHARACTERISTICS

Contribution

Significant terms & conditions

Flexible
Transfer
Payment

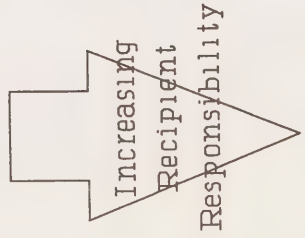
Simplified agreement
Surplus: retained by recipient
Deficit: recipient responsible
Focus on program performance,
not expenditures
Reporting by recipient

Alternative
Funding
Arrangement

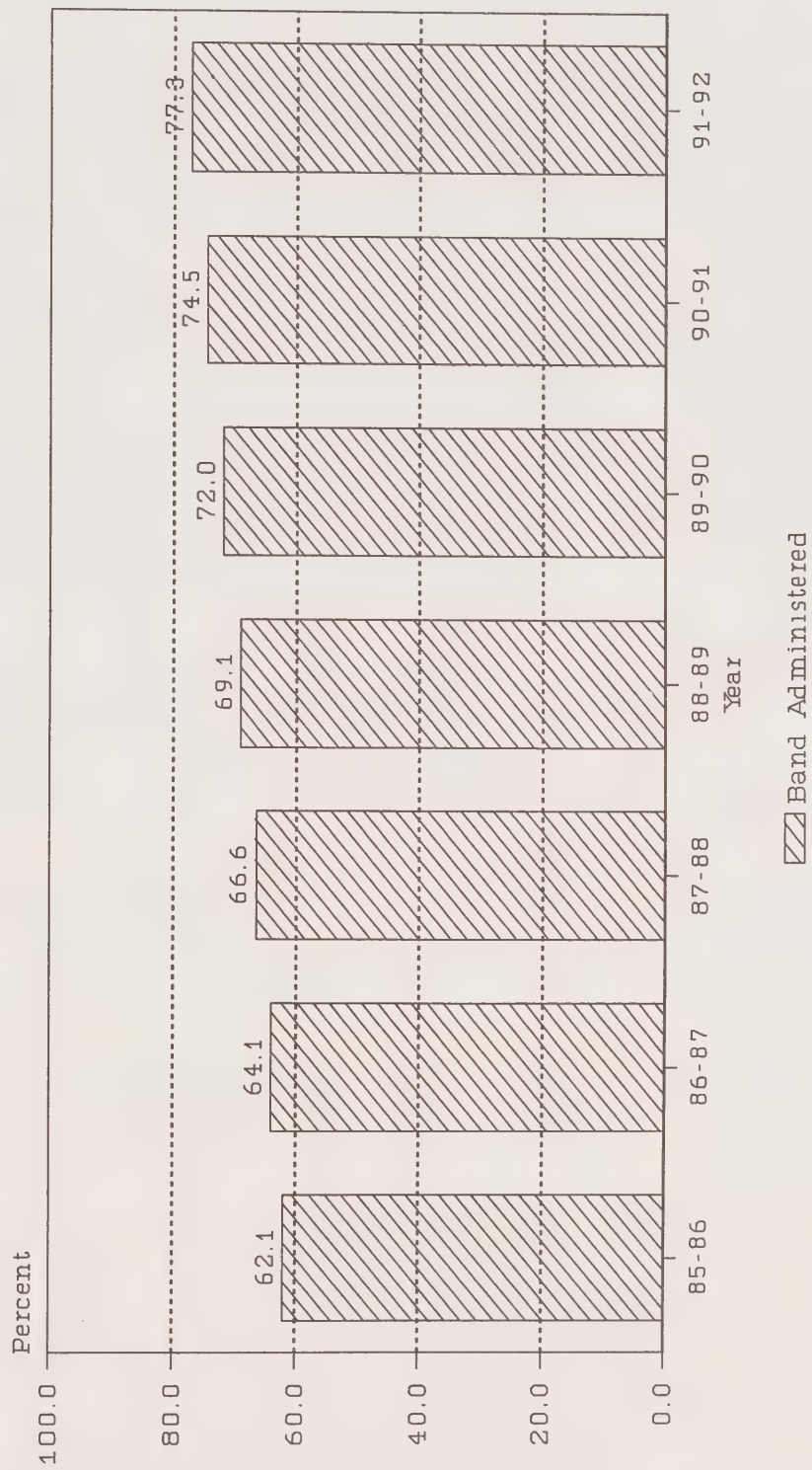
Recipient redesigns programs
Annual enhanced audit
Multi-year agreement
Includes social assistance

Grant

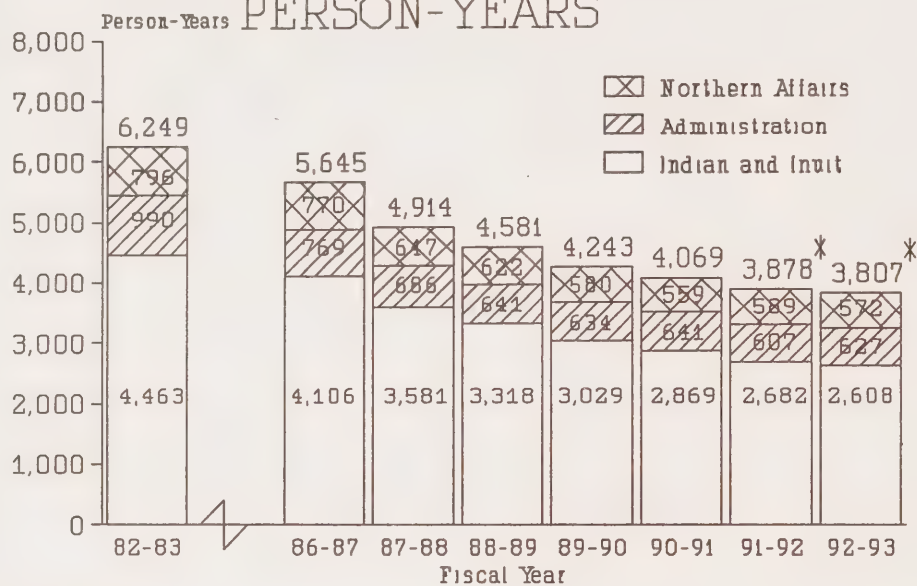
Minimal terms & conditions



INDIAN AND INUIT AFFAIRS
BAND - ADMINISTERED FUNDS



DEPARTMENT OF INDIAN AFFAIRS AND NORTHERN DEVELOPMENT PERSON-YEARS

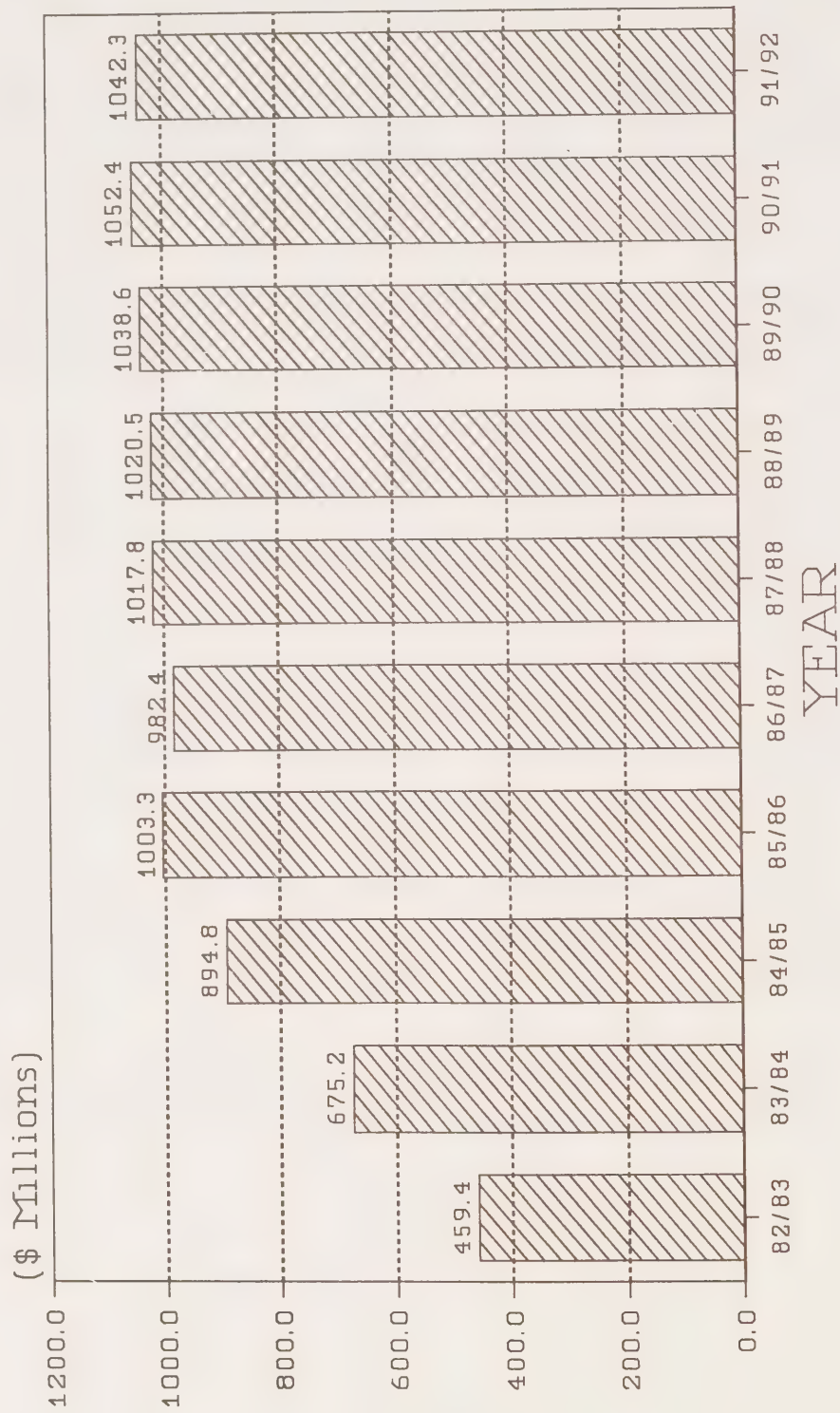


*Main Estimates

2.7 BREAKDOWN OF INDIAN FUNDS ON DEPOSIT

- In 1992-93, DIAND will administer more than \$1 billion of Indian monies on behalf of bands and individuals. These funds are held in trust in the Consolidated Revenue Fund, pursuant to provisions of the *Indian Act*. The fund is a very low risk fund, and earns various interest rates, depending on the category of deposit.
- Capital monies are derived from the sale of band fixed assets, land and non-renewable resources. As of the end of the 1991-92 fiscal year, capital funds represented \$754 million, or 72.3 percent of the Indian Funds on deposit.
- Revenue monies are derived from leases of land and buildings, interest earned on monies on deposit within the Consolidated Revenue Fund, and any other funds earned which are not capital monies. As of the end of the 1991-92 fiscal year, the revenue funds represented \$96 million, or 9.2 percent of the Indian Funds on deposit.
- Individuals' monies fall into six categories: Estates; Missing Individuals; Savings; Guardianship; Mentally Incompetent Adoptees; and Instalment accounts. Monies in these accounts are receipts pertaining to per capita distributions, estate distribution and interest earned on monies on deposit. As of the end of the 1991-92 fiscal year, individuals' monies represented \$183 million, or 17.6 percent of the Indian Funds on deposit.
- Suspense monies are monies held pending signing of leases, royalty agreements and settlement of cases under litigation. As of the end of fiscal year 1991-92, suspense monies represented \$9 million, or 0.9 percent of the Indian Funds on deposit.
- Currently, Indian-led working groups are preparing draft proposals on alternative legislation to the *Indian Act*. These proposals call for greater Indian control and autonomy in managing Indian monies.

TOTAL INDIAN FUNDS ON DEPOSIT

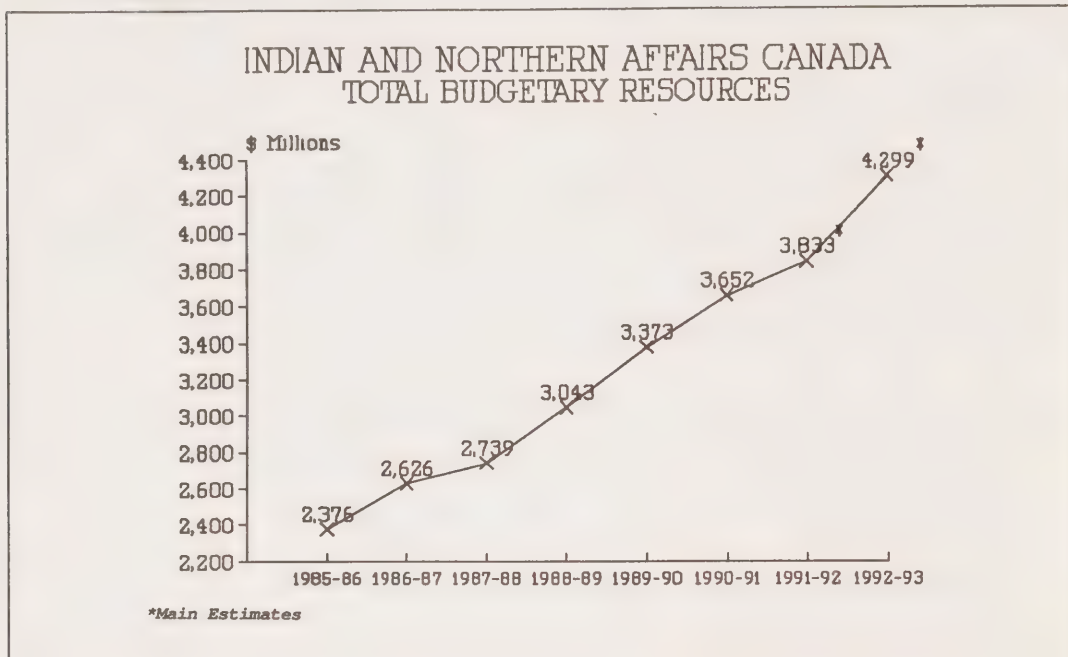


ADMINISTRATIVE EXPENDITURES (DIAND)

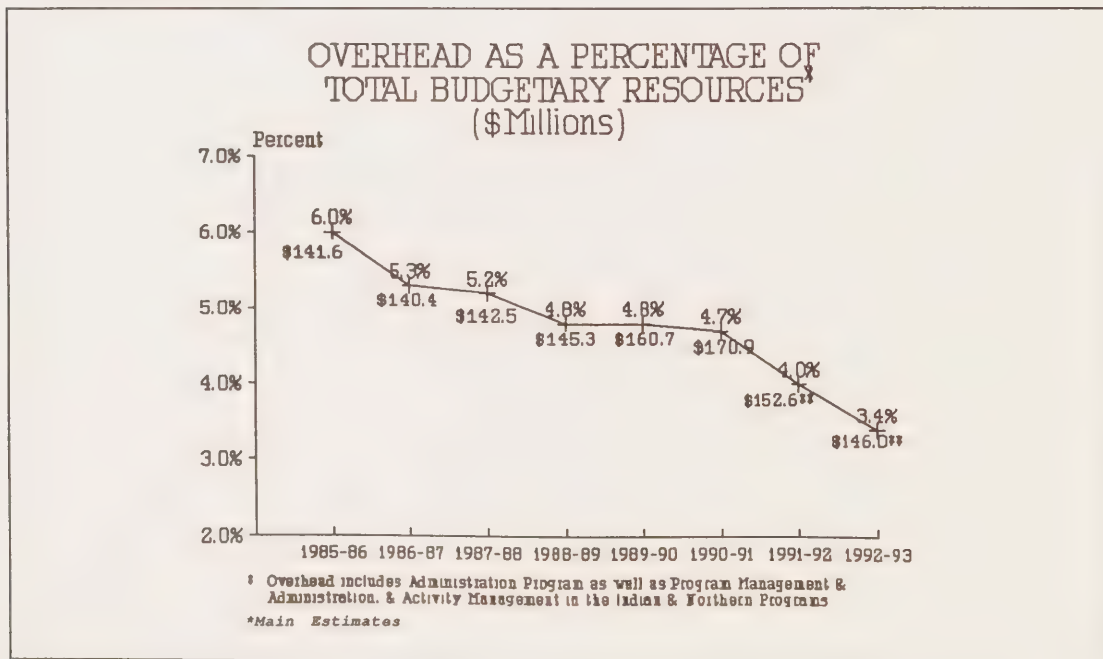
3.1 HIGHLIGHTS

- Departmental overhead for 1992-93 includes the Administration Program (\$87.2 million in 1992-93) as well as the Program Management and Activity Management components of the Indian and Inuit Affairs Program and the Northern Affairs Program. These figures total \$145.6 million.
- The percentage of DIAND's budget which is directed to administrative overhead has declined steadily throughout the 1980s and early 1990s. In 1992-93, the department's overhead is estimated to be 3.4 percent of the overall budget administered by DIAND. In 1985-86, this rate was 6.0 percent.
- Reduction in the departmental overhead has been achieved through streamlining and efficiency measures, and the devolution of departmental responsibilities to First Nations.

3.2 INDIAN AND NORTHERN AFFAIRS CANADA: TOTAL BUDGETARY RESOURCES



3.3 OVERHEAD AS A PERCENTAGE OF TOTAL BUDGETARY RESOURCES



ANNEX 1: DESCRIPTION OF PROGRAMS FOR ABORIGINAL PEOPLES

THE DEPARTMENT OF INDIAN AFFAIRS AND NORTHERN DEVELOPMENT⁹

SELF-GOVERNMENT

The objective of the Self-Government initiative is to establish the formal basis for a new relationship between the federal government and Indian and Inuit peoples which is marked by increased community control and self-reliance. This new relationship is to be established in co-operation with the appropriate federal departments, agencies and related levels of government.

COMPREHENSIVE CLAIMS

To settle accepted Comprehensive Claims through negotiation. The purpose of settlements is to provide certainty and clarity of rights of ownership and use of lands and resources in those areas of Canada where Aboriginal title has not been dealt with by treaty or superseded by law.

SPECIFIC CLAIMS

To settle accepted claims, through negotiation, which arise from the alleged nonfulfilment of Indian treaties or breaches in federal obligation with respect to the administration of lands and other assets under the *Indian Act* and other formal agreements regarding Indians.

ECONOMIC DEVELOPMENT

To support Indians, Inuit, and Innu in achieving economic growth and self-reliance. The Economic Development Activity is responsible for fulfilling DIAND's lead role within the Canadian Aboriginal Economic Development Strategy (CAEDS). In addition, it administers DIAND's residual commercial development activities and provides support for its economic development programming. It also discharges DIAND's statutory-based activities relating to economic development (e.g. Indian Property Taxation By-laws, Indian Oil and Gas, and Resource Inventories).

⁹ Program descriptions are based on information found in Part III of DIAND's 1992-93 *Main Estimates*. In 1992, a major departmental re-organization re-aligned responsibilities which affect these descriptions. Revised program descriptions will become available in the 1993-1994 *Main Estimates*.

LANDS, REVENUES AND TRUSTS

To fulfil the legal obligations of the Government of Canada in matters respecting Indians and the lands reserved for Indians excepting the development of natural resources and to analyze, negotiate and settle specific land claims.

EDUCATION

To ensure that all eligible Indians and Inuit have access to a quality and range of elementary/secondary education that is relevant to the social, economic, and cultural needs and conditions of the individuals, bands and communities being served; to encourage and support the educational and/or career development opportunities of Indians and Inuit through post-secondary education; and to support Indians and Inuit in preserving, developing and expressing their cultural heritage.

SOCIAL DEVELOPMENT

To provide appropriate assistance and welfare services to eligible Indian and Inuit individuals and families who are in need of financial assistance, care and protection from neglect and mistreatment, or assistance in coping with personal or situational problems, in accordance with government standards.

CAPITAL FACILITIES AND COMMUNITY SERVICES

To help and support Indian bands, Inuit communities and individuals establish and maintain a level and quality of community capital facilities and family living accommodation consistent with approved policies and standards.

BAND MANAGEMENT

To assist and facilitate Indian bands and Inuit communities and their organizations to develop and manage effective governments, to perform community-based development planning, and to promote the effective on-going consultation with and participation in policy development by Indian and Inuit leaders. Under the Band Management Activity, the department provides financial resources in support of increased Indian management control over program services.

NORTHERN AFFAIRS PROGRAM AND TRANSFERS TO TERRITORIAL GOVERNMENTS

To promote the political, economic, scientific, social and cultural development of the northern territories; to assist Northerners, including Aboriginals and Inuit, to develop political and economic institutions which will enable territorial governments to assume increasing responsibility within the Canadian federation; and to manage effectively the orderly use, development and conservation of the North's natural resources in collaboration with the territorial governments and other federal departments.

OTHER (DIAND)¹⁰

To ensure the efficient and effective management of the department and its programs in a manner that is responsive to its mandate, ministerial and parliamentary priorities, central agency directions and the overall needs of the department's clients.

HEALTH AND WELFARE CANADA**INDIAN AND NORTHERN HEALTH SERVICES**

To assist Status Indians, Inuit and residents of the Yukon to attain a level of health comparable to that of other Canadians living in similar locations. This activity ensures the availability of, or access to, health services for the Inuit and Status Indian populations of Canada and residents of the Yukon Territory by maintaining a program comprised of the following sub-activities: community health services; National Native Alcohol and Drug Abuse Program; environmental health and surveillance; and hospital and management services.

CANADA MORTGAGE AND HOUSING CORPORATION**SOCIAL HOUSING**

In addition to the Aboriginal peoples who benefit from the normal CMHC programs available off-reserve to all Canadians living in urban areas, there are two other programs available. The first applies to all Status Indians on-reserve, and is an extension of the normal social housing program. The second applies to Native peoples off-reserve, and is named the Rural and Native Housing Program. This program provides for either financial assistance or technical backup for Native peoples in non-urban settings, and recognizes the non-monetary nature of the non-urban economy (e.g. sweat equity or work in lieu of funding).

¹⁰ Includes Program management and administration.

EMPLOYMENT AND IMMIGRATION CANADA

NATIVE EMPLOYMENT

Consultation processes between EIC and Aboriginal peoples led to the formation of the National Aboriginal Management Board in 1991-92. Regional Aboriginal Boards will ensure that training and human resource development are delivered, managed and controlled with the direct input of Aboriginal peoples, in partnership with the federal government. These boards will determine Aboriginal labour force priorities and will play an increasing role in developing the capacity among Aboriginal peoples and institutions to manage the delivery of programs and services that address their employment and training needs. The government's commitment is to maintain the overall national expenditures target at \$200 million over the next four years.

INDUSTRY, SCIENCE AND TECHNOLOGY CANADA

ABORIGINAL ECONOMIC PROGRAMS

To assist Aboriginal peoples in all parts of Canada to realize their economic potential. The goal is to promote Aboriginal economic self-reliance through greater Aboriginal participation in Canada's national economy. ISTC delivers four major components under CAEDS:

- The Aboriginal Business Development Program;
- The Joint Ventures Program;
- The Aboriginal Capital Corporations Program; and
- The Research and Advocacy Program.

SECRETARY OF STATE

TRANSFER PAYMENTS TO ABORIGINAL GROUPS

Several transfer payment programs have been designed to help Canada's Aboriginal peoples (Status Indian, non-Status Indian, Métis and Inuit) define and participate in the resolution of the social, cultural, political and economic issues affecting their lives in Canadian society. A common feature of the programs is that projects are community-based, and initiated and managed by Aboriginal peoples. The programs are:

- Aboriginal Friendship Centre program: This program is designed to improve the quality of life for Aboriginal peoples residing in or travelling through urban communities. It provides program, capital and project funding to the National Association of Friendship Centres and 99 friendship centres located in Canada's urban areas. These centres provide referral services and support programs to Aboriginal peoples in the areas of housing, education, employment, recreation, human resource development and cultural maintenance.

- Northern Native Broadcast Access program: This program provides production and distribution funding to Aboriginal broadcasters to operate and maintain regional network production centres, and to produce and broadcast radio and television programs for Aboriginal audiences.
- Aboriginal Representative Organizations program: This program provides program funding to Inuit, Métis and non-Status Indian representative organizations which work to enable Aboriginal peoples to participate in the political, social and economic life of Canada.
- Aboriginal Constitutional Review program: This program provides funding to national Aboriginal representative organizations to assist these organizations in addressing outstanding issues facing Aboriginal peoples in the Canadian Unity debate and in participating in the constitutional renewal process. The program emphasizes the importance of regional consultations and the incorporation of the views and opinions of Aboriginal women in these activities.
- Aboriginal Women's program: This program encourages Aboriginal women to voice their concerns, address their issues and become more involved in their communities.
- Native Social and Cultural Development program: This program is designed to increase, promote and strengthen the individual opportunities of Aboriginal peoples to develop their full potential and talents in various fields of socio-cultural endeavour.
- Canada/Territories Official and Aboriginal Language Agreements: This program is designed to permit territorial governments and the Aboriginal communities to develop programs that will preserve and maintain the Aboriginal languages in the territories.

SOLICITOR GENERAL

POLICING ON-RESERVE

The Federal Task Force on Native Policing, which began in 1986, identified the need for increased federal support for policing services to on-reserve Native communities. It also identified the requirement for a federal Native policing policy. In June 1991, Cabinet approved a federal Native policing policy and a five-year resource package which will see new policing arrangements being developed, with emphasis on Native administration and program delivery.

FISHERIES AND OCEANS

FISHERIES CO-MANAGEMENT AND NATIVE PROGRAMS

Under the Aboriginal Fisheries Strategy, program agreements are negotiated with Native peoples to contain multi-year plans for the management of the Aboriginal fishery, programs for fisheries management, habitat restoration, fisheries research and fisheries enhancement, and a process with objectives to govern future dealings between Fisheries and Oceans and First Nations.

PUBLIC SERVICE COMMISSION

NATIONAL INDIGENOUS DEVELOPMENT PROGRAM (NIDP)

The NIDP is designed for Canadian Aboriginal peoples (Status Indians, non-Status Indians, Métis and Inuit) to provide resources for training and experience within the federal government. The objective of NIDP is to increase representation of Aboriginal people within the federal public service.

NORTHERN CAREERS PROGRAM (NCP)

The NCP is designed for Canadian Aboriginal peoples (Status Indians, non-Status Indians, Métis and Inuit) who live north of the 60th parallel. It provides resources for training, development and experience within the federal, provincial and territorial governments. The objective of NCP is to increase the representation of Aboriginal people within the federal government.

DEPARTMENT OF JUSTICE

ABORIGINAL JUSTICE

The Department of Justice, in co-operation with the Ministry of the Solicitor General, has undertaken the implementation of a five-year joint Aboriginal Justice Initiative for the development of a long-term federal policy respecting the administration of justice as it relates to Aboriginal peoples. This initiative is for policy consultation, in response to reports on major inquiries on Aboriginal justice, research and development on long-term crime prevention strategies, innovative justice service models, evaluation and development of public legal information services, and enhancement to the existing Native Courtworker Program and Legal Studies for Aboriginal People Program.

ABORIGINAL SELF-GOVERNMENT FUND

The fund supports federal involvement in tripartite self-government negotiations, through the provision of contributions to off-reserve Aboriginal communities and associations to facilitate their participation.

MEGA CASES IN BRITISH COLUMBIA

Mega cases in B.C. is but one example of the administration of litigation that the Department of Justice performs for DIAND. Presently, the cases in B.C. are a priority of the federal government.

NATIONAL DEFENCE

NORTHERN RANGER PROGRAM

The Northern Rangers are a sub-component of the Canadian Forces Reserves. The Rangers participate in exercises and operations as guides, advisors and survival instructors. They also provide a highly mobile reconnaissance force, and occasionally assist in ground search and rescue missions.

ANNEX 2: IMPACTS OF FEDERAL SPENDING ON ABORIGINAL PEOPLES: HIGHLIGHTS

- In 1980, DIAND published a survey of Indian conditions on-reserve. This survey, commonly known as the Knox Report, was intended to provide a thorough examination of trends in social, economic and political conditions, as well as trends in government programs and some information on off-reserve Indians. While more far-reaching than the current report, it serves as a base point from which a comparison of existing conditions can be made.

SOCIAL CONDITIONS

- The quality of health care available for Indians has improved considerably. Since the Knox Report, the life expectancy of Status Indians has increased approximately 10 years for both sexes. The rate of Indian mortality has decreased from a level of 6.2 deaths per 1,000 population to 4.8 per 1,000 between 1982 and 1989.
- Indian infant mortality rates have dropped dramatically between 1971 and 1989, from 45 to 10 infant deaths per 1,000 live births. The death rate from accidents and violence has decreased from over 250 to under 150 deaths per 100,000 population between 1980 and 1989.
- Expenditures on health care have increased substantially since the Knox Report. In 1980-81 annual health care expenditures were \$155 million. By 1992-93, this figure had grown, at an average annual rate of 14 percent, to \$706 million.
- In 1992, approximately 94 percent of bands will directly administer delivery of social assistance.
- Emphasis is being placed on supporting increased Indian control of the development, design and delivery of child and family services. In 1990-91, DIAND funded 36 Indian Child and Family agencies serving 212 bands.
- Child Welfare Services, in co-operation with Indian bands and parents, has worked to decrease the number of children in the care of Child and Family Service agencies. Between 1981-82 and 1990-91, the percentage of children in care has decreased from 6.0 percent to 4.0 percent.
- Between 1983-84 and 1985-86, an average of 2,400 new dwelling units were built on-reserve each year. Between 1986-87 and 1991-92, this figure rose to an average of 3,000 new dwelling units built on-reserve each year.

- By 1994, 92 percent of existing houses on-reserve will have adequate potable water service, and 89 percent of existing houses will receive proper sewage disposal facilities. This will be a considerable improvement from the 45-50 percent level of water and sewage services depicted in the 1980 Knox Report.
- Through Green Plan funding, approximately 7,000 houses will receive an adequate level of water and sewage services. Existing programs will continue to service approximately 1,200 additional homes over the same period.
- As a result of Bill C-31, the *Indian Act* now treats men and women equally when determining status, and prevents anyone from gaining or losing status through marriage.
- By the end of 1991-92, 77.3 percent of the expenditures of the Indian and Inuit Affairs Program (approximately \$2 billion) were fully administered by First Nations through Band Councils, Tribal Councils, or other Indian organizations. This figure has increased 15.2 percentage points since 1985-86 when bands administered 62.1 percent of Indian and Inuit Affairs Program spending.

ECONOMIC CONDITIONS

- The participation rate of on-reserve children (ages 6-15) in elementary/secondary schools has increased from 87.6 percent in 1985-86 to 91.4 percent in 1990-91. At the same time, Indian children are staying in school longer. The percentage of children reaching grades 12 or 13 through normal progression has risen from 33.9 percent in 1985-86 to 47.0 percent in 1990-91.
- Indian participation in post-secondary programs has grown from 1.5 percent of the total Indian population in 1979-80, to an estimated 2.5 percent in 1992-93. Of the eligible population (e.g. individuals that have earned at least a high school diploma), the Native participation rate is 22.6 percent, while the non-Native participation rate is 33.2 percent (1986 Census data).
- Employment prospects are improved with a post-secondary education. Indians with less than a high school education have an unemployment rate of 39 percent and a median income of \$9,700, while Indians with a university degree have an unemployment rate of 12 percent and a median income of \$21,300 (1986 Census Data).

- As a result of special post-secondary education programs providing opportunities for Indian students to become qualified teachers, 30 percent of the teaching staff in band schools are now Indian.
- First Nations are continuing to gain more control over their elementary/secondary education systems through the increasing numbers of band-operated schools. Forty-four percent of Native students now attend band-operated schools.
- The Canadian Aboriginal Economic Development Strategy delivers programs directly to Aboriginal peoples that address issues such as job development, job entry, skill shortages, skill investment and community futures.
- Employment opportunities in the fishing industry exist under the Aboriginal Fisheries Strategy. The Public Service Commission provides training and experience to Aboriginal peoples through the National Indigenous Development Program (NIDP), and the Northern Careers Program (NCP).
- National Defence funds the Northern Rangers, a sub-component of the Canadian Forces Reserves.
- Since 1985, approximately 23,000 Aboriginal peoples have participated in a Canadian Jobs Strategy program.

OUTSTANDING ISSUES

- While the social and economic conditions of Aboriginal peoples have improved significantly, there is still substantial room for improvement. For instance, the suicide rate for Status Indians is approximately double the rate for the total Canadian population; the percent of Indians on-reserve receiving social assistance is also about double the Canadian rate; the percentage of Indian dwellings on-reserve that are crowded is about sixteen times the Canadian figure; the percentage of all Status Indians that have less than a grade nine education is about double the Canadian rate; the percentage of dwellings on-reserve without central heating is about seven times more than the Canadian rate; and the employment rate of Indians on-reserve is about half the Canadian rate.

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